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LEGISLATIVE HISTORY

Public Law 784--81st Congress

Chapter 946--2d Session

H. R. 9038

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BUDGET AND ACCOUNTING PROCEDURES ACT OF 1950. Authorizes the President to determine the form of the national budget and of departmental estimates, and to modernize and simplify Governmental accounting and auditing methods and procedures. The bill requires the submission of the so-called "green sheets" with the Budget, but permits this requirement to be waived by the appropriations committees acting jointly. The bill sets forth a congressional policy that the accounting of the Government provide full disclosure of the results of financial operations, adequate financial information needed in the management of operations and the formulation and execution of the budget, and effective control over income, expenditures, funds, property, and other assets; that full consideration be given to the needs and responsibilities of both the legislative and executive branches in the establishment of accounting and reporting systems and requirements; that the maintenance of accounting systems and the producing of financial reports on operations of executive agencies be the responsibility of the executive branch; that auditing for the Government, conducted by GAO, be directed at determining the extent to which accounting and related financial reporting fulfill the purposes specified, financial transactions have been consummated in accordance with laws, regulations, or other requirements, and adequate internal financial control over operations is exercised, and afford an effective basis for the settlement of accounts of accountable officers; that emphasis be placed on effecting orderly improvements resulting in simplified and more effective accounting, financial reporting, budgeting, and auditing requirements and procedures and on the elimination of those which involve duplication or do not serve a purpose commensurate with the costs involved; and that the Comptroller General, the Secretary of the Treasury, and the Director of the Budget Bureau conduct a continuous program for improvement of accounting and financial reporting. Provides in detail for the carrying out of that policy with authority for the Comptroller General, after consulting with Treasury and the Budget Bureau, to prescribe the principles, standards, and related requirements for accounting to be observed by each agency, including requirements for suitable integration between the accounting processes of the executive agencies and the Treasury Department. The duties and responsibilities of the heads of executive agencies for accounting and internal control are set forth. Makes various changes in the Budget and Accounting Act and provides that the primary emphasis be placed on functions and activities in preparing the budget. Repeals numerous provisions of existing law, including the requirements relating to personnel ceilings.

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| June 13, 1949 | S. 2054 was introduced by Senator McCarthy and was referred to the Senate Committee on Expenditures in the Executive Departments. Print of the bill as introduced. Remarks of the author. |
| June 15, 1949 | H. R. 5178 was introduced by Rep. Hoffman and was referred to the House Committee on Expenditures in the Executive Departments. Print of the bill as introduced. (Similar bill). |
| August 1, 1949 | H. R. 5823 was introduced by Rep. Hoffman and was referred to the House Committee on Expenditures in the Executive Departments. Print of the bill as introduced. (Similar bill). Print of an amendment to S. 2054 proposed by Senator McCarthy. |
| February 27, 1950 | Hearings: Senate, S. 2054. |
| June 29, 1950 | S. 3850 was introduced by Senator McClellan and was referred to the Senate Committee on Expenditures in the Executive Departments. Print of the bill as introduced. (Companion bill). |
| July 5, 1950 | H. R. 9038 was introduced by Rep. Karsten and was referred to the House Committee on Expenditures in the Executive Departments. Print of the bill as introduced. Remarks of the author. |
| July 11, 1950 | Hearings: House, H. R. 9038. |
| July 12, 1950 | Senate Committee reported S. 3850 with amendment. Senate Report 2031. Print of the bill as reported. |
| July 13, 1950 | House Committee reported H. R. 9038 with amendment. House Report 2556. Print of the bill as reported. |
| July 20, 1950 | House Rules Committee reported H. Res. 729 for the consideration of H. R. 9038. House Report 2703. |
| July 26, 1950 | Senate discussed S. 3850 which was passed over on objection. House debated and passed H. R. 9038 with amendments. |
| July 27, 1950 | Print of H. R. 9038 as passed the House. |
| August 9, 1950 | Senate debated and passed H. R. 9038 with language of S. 3850. Senate conferees appointed. |
| August 22, 1950 | House conferees appointed. |
| August 25, 1950 | House received the conference report. House Rept. 3002. |
| August 30, 1950 | House sent bill back to conference. Conferees submitted 2d conference Report. House Rept. 3030. |
| August 31, 1950 | Both houses agreed to the conference report. |
| September 12, 1950 | Approved. Public Law 784. |

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81ST CONGRESS
1ST SESSION

S. 2054

IN THE SENATE OF THE UNITED STATES

JUNE 13 (legislative day, JUNE 2), 1949

Mr. McCARTHY introduced the following bill; which was read twice and referred to the Committee on Expenditures in the Executive Departments

A BILL

To authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify Government accounting and auditing methods and procedures, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Budget and Accounting
4 Procedures Act, 1949".

5 PART I—THE BUDGET AND THE OFFICE OF THE BUDGET
6 BUDGET AND DEPARTMENTAL ESTIMATES TO BE IN FORM
7 PRESCRIBED BY THE PRESIDENT

8 SEC. 2. (a) So much of section 201 of the Budget and

1 Accounting Act, 1921, as amended, as precedes subsection
2 (a) thereof is amended to read as follows:

3 “SEC. 201. The President shall, during the first three
4 months of each regular session of Congress, transmit to Con-
5 gress the Budget. The Budget shall be in such form as the
6 President may determine, but there shall be included
7 therein——”.

8 (b) Section 204 of the Budget and Accounting Act,
9 1921 (U. S. C., title 31, sec. 581) is amended to read as
10 follows:

11 “SEC. 204. Notwithstanding any other provisions of
12 law, the contents, order, classification, and arrangement of
13 the proposed appropriations and estimates of appropriations
14 and the statements of expenditures and estimated expendi-
15 tures contained in the Budget or transmitted under section
16 203, and the notes and other data submitted therewith, shall
17 conform only to such requirements as the President may
18 prescribe.”

19 (c) Section 214 of the Budget and Accounting Act,
20 1921, as amended, is amended to read as follows:

21 “SEC. 214. The head of each department and establish-
22 ment shall prepare or cause to be prepared in each year, in
23 such form and at such times as the President may prescribe,
24 the estimates for the department or establishment, and shall
25 also prepare or cause to be prepared, in such form and at

1 such times as the President may prescribe, such supple-
2 mental and deficiency estimates as may be required for its
3 work.”

4 (d) The first sentence of section 215 of the Budget and
5 Accounting Act, 1921, as amended, is amended to read as
6 follows: “The head of each department and establishment
7 shall submit the estimates for the department or establish-
8 ment to the Bureau on or before such date as the President
9 may prescribe.”

10 (e) Section 216 of the Budget and Accounting Act,
11 1921, as amended, is amended to read as follows:

12 “SEC. 216. The departmental estimates and any supple-
13 mental or deficiency estimates submitted to the Bureau of
14 the Budget by the head of any department or establishment
15 shall, notwithstanding any other provision of law (whether
16 such provision has heretofore required estimates or justi-
17 fications to be submitted in a particular form or detail or
18 by a particular classification or classifications, or otherwise),
19 be prepared and submitted in such form, manner, and detail,
20 and by such classifications, as the President may prescribe,
21 and not otherwise.”

22 CHANGE OF NAME OF BUREAU OF BUDGET

23 SEC. 3. The Bureau of the Budget shall hereafter be
24 known as the Office of the Budget, and as such shall continue
25 as an agency in the Executive Office of the President.

1 ADDITIONAL FUNCTIONS OF DIRECTOR OF THE BUDGET IN
2 RESPECT OF GOVERNMENT STATISTICAL ACTIVITIES

3 SEC. 4. (a) In addition to the existing functions of the
4 Director of the Budget in respect of Government statistical
5 services and in addition to the other functions vested by law
6 in the Director of the Budget, the Director, as and when
7 directed by the President and subject to supervision and con-
8 trol of the President, is authorized and directed to develop
9 programs (1) for the improvement of the methods and pro-
10 cedures used in gathering and assembling information to be
11 used for statistical purposes, and in compiling, publishing,
12 and disseminating statistics and statistical information by the
13 various agencies in the executive branch of the Government,
14 and (2) for the improvement of coordination and for the
15 elimination of duplication, among the various executive
16 agencies, in gathering, assembling, compiling publishing, and
17 disseminating statistics and statistical information.

18 (b) The Director, as and when directed by the Pres-
19 ident and subject to supervision and control of the President,
20 shall embody such programs in regulations or directives
21 directed to the various executive agencies, and such regula-
22 tions and directives shall be adhered to by such agencies and
23 the heads thereof.

1 ADDITIONAL FUNCTIONS OF DIRECTOR OF BUDGET IN
2 RESPECT OF FIELD SERVICES OF THE VARIOUS EXECU-
3 TIVE AGENCIES

4 SEC. 5. (a) In addition to the other functions vested
5 by law in the Director of the Budget, the Director, as and
6 when directed by the President and subject to the super-
7 vision and control of the President, is authorized and directed
8 to develop programs for the improvement of coordination
9 between, and improvement in the effectiveness of, the field
10 offices of the various executive agencies. In developing
11 such programs the Director shall consider—

12 (1) the need for administrative regions on a com-
13 parable geographic basis to govern the various field
14 offices;

15 (2) the need for greater utilization of pooled cen-
16 tralized administrative services, such as personnel,
17 supply, motor transport, space, and other similar
18 services;

19 (3) the need for establishing standards for report-
20 ing by the various field offices as to their work;

21 (4) the need for standardizing field relationships
22 with State and local officials;

23 (5) the need for simplifying field service manuals.

1 (b) The Director, as and when directed by the Presi-
2 dent and subject to the supervision and control of the Presi-
3 dent, shall embody such programs in regulations or directives
4 directed to the various executive agencies, and such regula-
5 tions and directives shall be adhered to by such agencies
6 and the heads thereof.

7 FUNCTIONS OF DIRECTOR OF BUDGET IN RESPECT OF
8 PERSONNEL CEILINGS TRANSFERRED TO PRESIDENT

9 SEC. 6. The functions heretofore vested in the Director
10 of the Budget under the Federal Employees Pay Act of
11 1945, as amended, are hereby transferred to the President.
12 Such functions may be exercised by the President or, under
13 and in accordance with such regulations or orders as the
14 President may prescribe, by such officer or officers of the
15 Government as the President may direct.

16 PART II—ACCOUNTING

17 ACCOUNTANT GENERAL IN THE DEPARTMENT OF THE
18 TREASURY

19 SEC. 20. The Secretary of the Treasury is authorized
20 to create in the Department of the Treasury a service to
21 be known as the Accounting Service with an Accountant
22 General at its head, who shall be appointed by the Secre-
23 tary of the Treasury and shall receive compensation at a
24 rate fixed in accordance with the laws and regulations
25 applicable to the compensation of officers and employees in

1 the executive branch of the Government. The Secretary
2 of the Treasury may provide for the performance by the
3 Accountant General and the Accounting Service, of the
4 functions vested in the Secretary of the Treasury by this
5 Act.

6 REGULATIONS GOVERNING ACCOUNTING BY EXECUTIVE
7 AGENCIES

8 SEC. 21. Subject to the authority of the Comptroller
9 General of the United States under section 309 of the Budget
10 and Accounting Act, 1921, as amended, the Secretary of
11 the Treasury is authorized by regulation to prescribe the
12 general accounting methods, practices, and procedures (in-
13 cluding property and cost accounts and expenditure con-
14 trols) to be followed by all agencies in the executive branch
15 of the Government, and is also authorized to supervise
16 operations under such methods, practices, and procedures
17 in all of such agencies. The regulations of the Secretary
18 shall include provisions for frequent reports to him from
19 the various executive agencies as to the status of their ac-
20 counts. The Secretary shall from time to time combine such
21 reports into summary accounts of the executive branch of the
22 Government and prepare financial reports covering all the
23 accounting operations of the Government for the informa-
24 tion of the President, Congress, and the public.

1 INTERPRETATIVE REGULATIONS AND OPINIONS AS TO
2 AVAILABILITY OF APPROPRIATIONS

3 SEC. 22. (a) The Secretary of the Treasury is author-
4 ized, in consultation with the Comptroller General of the
5 United States, to issue from time to time, for the guidance
6 of disbursing and certifying officers, regulations and opinions
7 as to the application, scope, and availability of appropriations
8 made by Congress.

9 (b) Section 309 of the Budget and Accounting Act,
10 1921, as amended, is amended to read as follows:

11 "SEC. 309. The Comptroller General shall, subject to
12 section 23 of the Budget and Accounting Procedures Act,
13 1949, prescribe the forms, systems, and procedures for the
14 administrative examination of fiscal officers' accounts and
15 claims against the United States, and for the audit and
16 settlement of such accounts. He shall also examine regu-
17 lations proposed to be issued by the Secretary of the Treas-
18 ury under section 21 of the Budget and Accounting Pro-
19 cedures Act, 1949, and shall have power to approve, or
20 withhold his approval of, the issuance of such regulations
21 insofar as they prescribe forms, systems, or procedures for
22 administrative appropriation and fund accounting. If and
23 to the extent that such proposed regulations in this respect
24 are not approved by the Comptroller General, they shall
25 not become effective."

ADMINISTRATIVE EXAMINATION OF ACCOUNTS; AUDIT AND
SETTLEMENT OF ACCOUNTS BY COMPTROLLER GENERAL

SEC. 23. (a) Notwithstanding any other provision of law, the head of each agency is authorized to conduct his administrative examination, and the Comptroller General of the United States is authorized and directed so far as practicable to conduct his examination and audit, of the administrative accounts of the various executive agencies and officers thereof at the places in such agencies where such accounts, and the vouchers and supporting documents in connection therewith, are regularly kept, and such accounts, vouchers, and documents shall not be required to be transmitted to the General Accounting Office in Washington, District of Columbia, or, except upon the direction of the head of the agency concerned, be required to be transmitted to such head.

(b) Notwithstanding any other provision of law, the Comptroller General of the United States is authorized to audit and settle accounts on the basis merely of spot checks, sampling, and other checking processes and to settle accounts and certify balances of accounts pursuant to audits made on such basis.

1 MANAGEMENT PROCEDURES IN RESPECT OF PUBLIC
2 MONEYS

3 SEC. 24. (a) The Secretary of the Treasury and the
4 Comptroller General of the United States shall jointly pre-
5 pare, and with the approval of the President issue, regu-
6 lations prescribing procedures (accounting, control, and
7 otherwise) governing the drawing of moneys from the
8 Treasury and the making of disbursements of public funds
9 of the United States, prescribing procedures governing the
10 receiving and holding of moneys in behalf of the United
11 States and the covering of moneys into the Treasury, and
12 prescribing the liabilities, in respect of the foregoing, of
13 officers made accountable under such regulations.

(b) Regulations issued pursuant to this section shall be binding on, and be adhered to by, all officers and agencies of the United States, and shall, to the extent prescribed therein supersede existing laws, regulations, orders, and directives in respect of the matters described in subsection (a).

20 PART III—SPECIFIC REPEALS

21 REPEALS

22 SEC. 30. (a) The following Acts and parts of Acts are
23 hereby repealed:

(1) Section 10 of the Act of August 1, 1914 (38 Stat. 680; U. S. C., title 31, sec. 582).

1 (2) So much of section 4 of the Act of June 20, 1874
2 (18 Stat. 109; U. S. C., title 31, sec. 583 (1)), as reads:
3 “; and hereafter the Secretary of the Treasury shall annually
4 submit to Congress detailed estimates of appropriations re-
5 quired for said expenses;”.

6 (3) The last proviso in the first paragraph under the
7 heading “Judgments; United States Courts” of the Act of
8 April 27, 1904 (33 Stat. 422; U. S. C., title 31, sec.
9 583 (2)).

10 (4) The last sentence of section 5 of the Act of August
11 5, 1882 (22 Stat. 256; U. S. C., title 31, sec. 583 (3)).

12 (5) So much of the matter appearing under the heading
13 “Mints and Assay Offices” of the Act of March 4, 1911 (36
14 Stat. 1292; U. S. C., title 31, sec. 583 (4)), as reads:
15 “, and the Secretary of the Treasury shall, for the fiscal year
16 nineteen hundred and thirteen, and annually thereafter, sub-
17 mit to Congress, in the regular book of estimates, detailed
18 estimates for the expenses of this Service”.

19 (6) So much of the matter appearing under the heading
20 “Treasury Department” in the Act of August 26, 1912 (37
21 Stat. 596; U. S. C., title 31, sec. 583 (5)), as reads:
22 “*Provided further*, That estimates hereunder shall be sub-
23 mitted in detail for the fiscal year 1914, and annually
24 thereafter”.

25 (7) The last sentence of the paragraph under the head-

1 ing "Federal Farm Loan Board" of the Act of September
2 8, 1916 (U. S. C., title 31, sec. 583 (7)), appearing on
3 page 803 of volume 39 of the Statutes at Large; and the
4 third and last paragraph under the heading "Federal Farm
5 Loan Bureau" of the Act of March 3, 1917 (U. S. C., title
6 31, sec. 583 (7)), appearing on page 1084 of volume 39
7 of the Statutes at Large.

8 (8) The last sentence on page 48 of volume 30 of the
9 Statutes at Large, in the Act of June 4, 1897 (U. S. C.,
10 title 31, sec. 583 (8)).

11 (9) The first sentence of section 6 of the Act of March
12 3, 1919 (40 Stat. 1309; U. S. C., title 31, sec. 583 (10)).

13 (10) The last proviso under the heading "Office of the
14 Chief Signal Officer" of the Act of March 2, 1907 (34 Stat.
15 1159; U. S. C., title 31, sec. 583 (11)).

16 (11) The sixth full paragraph appearing on page 648
17 of volume 29 of the Statutes at Large in the Act of March 3,
18 1897 (U. S. C., title 31, sec. 583 (13)).

19 (12) So much of the matter following the heading
20 "Bureau of Mines" in the Act of March 3, 1915 (38 Stat.
21 858; U. S. C., title 31, sec. 583 (14)) as reads: ", estimates
22 shall be submitted specifically for all personal services re-
23 quired permanently and entirely in the Bureau of Mines at
24 Washington, District of Columbia, and previously paid from
25 lump-sum or general appropriations;".

1 (13) The proviso at the end of the fourth paragraph
2 on page 312 of volume 37 of the Statutes at Large, in the
3 Act of August 17, 1912 (U. S. C., title 31, sec. 583 (15)) .

4 (14) The third paragraph appearing on page 1082 of
5 volume 32 of the Statutes at Large, in the Act of March 3,
6 1903 (U. S. C., title 31, sec. 583 (16)) .

7 (15) So much of section 12 of the Act of June 26,
8 1906 (34 Stat. 480; U. S. C., title 31, sec. 583 (18)) ,
9 as reads: "and he shall annually submit to Congress esti-
10 mates to cover the cost of the establishment and maintenance
11 of fish hatcheries in Alaska, the salaries and actual traveling
12 expenses of such officials, and for such other expenditures as
13 may be necessary to carry out the provisions of this Act".

14 (16) The proviso at the end of the first full paragraph
15 on page 456 of volume 32 of the Statutes at Large, in the
16 Act of June 28, 1902 (U. S. C., title 31, sec. 583 (20)) .

17 (17) The second full paragraph on page 841 of volume
18 38 of the Statutes at Large, in the Act of March 3, 1915
19 U. S. C., title 31, sec. 583 (21)) .

20 (18) The fourth full paragraph on page 2 of volume 38
21 of the Statutes at Large, in the Act of May 1, 1913
22 (U. S. C., title 31, sec. 583 (22)) .

23 (19) The proviso at the end of the second paragraph
24 under the heading "Bureau of Immigration and Naturaliza-

tion" of the Act of March 4, 1907 (34 Stat. 1329, 1330;
U. S. C., title 31, sec. 583 (23)).

(20) The second full paragraph on page 374 of volume
35 of the Statutes at Large, in the Act of May 27, 1908
(U. S. C., title 31, sec. 583 (25)).

(21) So much of the last paragraph on page 396 of
volume 37 of the Statutes at Large, in the Act of August
23, 1912 (U. S. C., title 31, sec. 583 (26)), as reads:
"For the fiscal year nineteen hundred and fourteen and
annually thereafter estimates in detail shall be submitted for
all personal services required in the Indian Office,".

(22) The proviso at the end of the first full paragraph
on page 646 of volume 41 of the Statutes at Large, in the
Act of May 29, 1920 (U. S. C., title 31, sec. 584) .

(23) Section 3660 of the Revised Statutes (U. S. C.,
title 31, sec. 585) .

(24) Section 4 of the Act of June 22, 1906 (34 Stat.
448; U. S. C., title 31, sec. 586) .

(25) Section 4 of the Act of March 4, 1909 (35 Stat.
907; U. S. C., title 31, sec. 587) .

(26) Section 2 of the Act of June 30, 1906 (34 Stat.
762; U. S. C., title 31, sec. 588) ; and the proviso in the
first paragraph on page 1367 of volume 34 of the Statutes
at Large, in the Act of March 4, 1907 (U. S. C., title 31,
sec. 588) .

1 (27) Section 3661, as amended, of the Revised Statutes
2 (U. S. C., title 31, sec. 589).

3 (28) So much of the first paragraph on page 255 of
4 volume 24 of the Statutes at Large, in the Act of August
5 4, 1886 (U. S. C., title 31, sec. 590), as reads: “: *Pro-*
6 *vided further*, That all printing and engraving for the Geo-
7 logical Survey, the Coast and Geodetic Survey, the Hydro-
8 graphic Office of the Navy Department, and the Signal
9 Service shall hereafter be estimated for separately and in
10 detail, and appropriated for separately for each of said
11 bureaus”.

12 (29) Section 3662 of the Revised Statutes (U. S. C.,
13 title 31, sec. 591).

14 (30) Section 3663 of the Revised Statutes, as amended
15 (U. S. C., title 31, sec. 594).

16 (31) Section 3664 of the Revised Statutes (U. S. C.,
17 title 31, sec. 597).

18 (32) Section 3665 of the Revised Statutes (U. S. C.,
19 title 31, sec. 598).

20 (33) The second paragraph under the heading “Rev-
21 enue-Cutter Service” in the Act of March 2, 1889 (25
22 Stat. 907; U. S. C., title 31, sec. 600).

23 (34) So much of the second full paragraph on page
24 512 of volume 24 of the Statutes at Large, in the Act of
25 March 3, 1887 (U. S. C., title 31, sec. 601), as reads:

1 “That the Secretary of the Treasury shall for the fiscal year
2 eighteen hundred and eighty-seven, and for each fiscal year
3 thereafter in the annual estimates, report to Congress the
4 number of persons employed outside of the District of Co-
5 lumbia, as superintendents, clerks, watchmen and otherwise,
6 and paid from appropriations for the construction of public
7 buildings showing where said persons are employed, in what
8 capacity, the length of time and at what rate of compensa-
9 tion,”.

10 (35) So much of the sixth full paragraph on page 374
11 of volume 26 of the Statutes at Large, in the Act of August
12 30, 1890 (U. S. C., title 31, sec. 601) as reads: “; and
13 hereafter the Secretary of the Treasury shall annually re-
14 port to Congress in the book of estimates a statement of
15 the expenditure of the appropriation for ‘repairs and preser-
16 vation of public buildings’ which shall show the amount
17 expended on each public building and the number of per-
18 sons employed and paid salaries from such appropriation”.

19 (36) So much of section 1317 of the Revenue Act of
20 1921 (42 Stat. 314; U. S. C., title 31, sec. 602) as reads:
21 “; and the Secretary of the Treasury shall submit for the
22 fiscal year 1921, and annually thereafter, an estimate of
23 appropriations to refund and pay back duties or taxes
24 erroneously or illegally assessed or collected under the In-

1 ternal Revenue laws, and to pay judgments, including in-
2 terest and costs, rendered for taxes or penalties erroneously
3 or illegally assessed or collected under the Internal Revenue
4 laws”.

5 (37) The first paragraph on page 133 of volume
6 22 of the Statutes at Large, in the Act of July 1, 1882
7 (U. S. C., title 31, sec. 603).

8 (38) The eighth paragraph under the heading “For-
9 eign Intercourse” of the Act of May 3, 1905 (33 Stat.
10 1214; U. S. C., title 31, sec. 603).

11 (39) The last paragraph on page 48 of volume 30
12 of the Statutes at Large, in the Act of June 4, 1897 (U.
13 S. C., title 31, sec. 604).

14 (40) The eighth paragraph under the heading “Under
15 the Engineer Department” of the Act of February 13, 1913
16 (37 Stat. 671; U. S. C., title 31, sec. 605).

17 (41) The sixth paragraph under the heading “Fortifi-
18 cations in Insular Possessions” of the Act of March 3, 1905
19 (33 Stat. 847; U. S. C., title 31, sec. 606).

20 (42) So much of the first section of the Act of August
21 4, 1886 (24 Stat. 246; U. S. C., title 31, sec. 607), as
22 reads: “the estimates for the Army and Navy hospital
23 service shall be submitted as a part of the military
24 establishment”.

1 (43) The first full paragraph on page 117 of volume
2 31 of the Statutes at Large, in the Act of April 17, 1900
3 (U. S. C., title 31, sec. 609).

4 (44) Section 3668 of the Revised Statutes (U. S. C.,
5 title 31, sec. 610).

6 (45) So much of the first paragraph on page 357 of
7 volume 20 of the Statutes at Large, in the Act of March
8 3, 1879 (U. S. C., title 31, sec. 611), as reads: “: *Pro-*
9 *vided*, That hereafter, in making his estimates for railway
10 mail service, the Postmaster General shall separate the esti-
11 mate for postal-car service from the general estimates; and
12 in case any increase or diminution of service by postal cars
13 shall be made by him, the reasons therefor shall be given
14 in his annual report next succeeding such increase or
15 diminution”.

16 (46) So much of the first paragraph under the heading
17 “United States Geological Survey” in the Act of March 3,
18 1887 (24 Stat. 527; U. S. C., title 31, sec. 612), as reads:
19 “; and hereafter the estimates for the Geological Survey
20 shall be itemized”.

21 (47) The first paragraph on page 455 of volume 32 of
22 the Statutes at Large, in the Act of June 28, 1902 (U. S.
23 C., title 31, sec. 612).

24 (48) Section 4 of the Act of August 15, 1876 (19
25 Stat. 200; U. S. C., title 31, sec. 613).

1 (49) The fourth paragraph of section 26 of the Act
2 of June 30, 1913 (38 Stat. 103; U. S. C., title 31, sec.
3 613).

4 (50) The eighth full paragraph on page 1421 of vol-
5 ume 36 of the Statutes at Large, in the Act of March 4,
6 1911 (U. S. C., title 31, sec. 614).

7 (51) The eighth full paragraph on page 1206 of vol-
8 ume 33 of the Statutes at Large, in the Act of March 3,
9 1905 (U. S. C., title 31, sec. 615).

10 (52) The fourth full paragraph under the heading
11 "Government in the Territories" of the Act of July 16,
12 1914 (38 Stat. 479; U. S. C., title 31, sec. 616).

13 (53) The first full paragraph on page 492 of volume
14 39 of the Statutes at Large, in the Act of August 11, 1916
15 (U. S. C., title 31, sec. 617).

16 (54) The proviso in the first paragraph under the
17 heading "Rent in the District of Columbia" of the Act of
18 March 4, 1915 (38 Stat. 1108; U. S. C., title 31, sec.
19 617).

20 (55) Paragraph (89) of section 1 of the Act of May
21 29, 1928 (45 Stat. 992; U. S. C., title 31, sec. 617).

22 (56) The seventh paragraph on page 433 of volume
23 32 of the Statutes at Large, in the Act of June 28, 1902
24 (U. S. C., title 31, sec. 618).

25 (57) The ninth full paragraph on page 755 of volume

1 36 of the Statutes at Large, in the Act of June 25, 1910
2 (U. S. C., title 31, sec. 618).

3 (58) The fourth full paragraph on page 362 of volume
4 27 of the Statutes at Large, in the Act of August 5, 1892
5 (U. S. C., title 31, sec. 619).

6 (59) The first full paragraph on page 764 of volume
7 36 of the Statutes at Large, in the Act of June 25, 1910
8 (U. S. C., title 31, sec. 620).

9 (60) Section 6 of the Act of August 1, 1914 (38
10 Stat. 679; U. S. C., title 31, sec. 621).

11 (61) The last full sentence in the first paragraph on
12 page 254 of volume 23 of the Statutes at Large, in the Act
13 of July 7, 1884 (U. S. C., title 31, sec. 622).

14 (62) Section 5 of the Act of June 30, 1906 (34 Stat.
15 763; U. S. C., title 31, sec. 626).

16 (63) The proviso at the end of the first paragraph on
17 page 579 of volume 37 of the Statutes at Large, in the Act
18 of August 24, 1912 (U. S. C., title 31, sec. 626).

19 (64) Section 7, as amended, of the Act of August 26,
20 1912 (37 Stat. 626; 37 Stat. 790; U. S. C., title 31, sec.
21 629).

22 (65) The fourth full paragraph on page 854 of volume
23 37 of the Statutes at Large, in the Act of March 4, 1913
24 (U. S. C., title 31, sec. 630).

1 (66) The proviso at the end of the seventh paragraph
2 on page 1030 of volume 31 of the Statutes at Large, in the
3 Act of March 3, 1901 (U. S. C., title 31, sec. 633).

4 (67) The second paragraph under the heading "Con-
5 tingent, Bureau of Ordnance" of the Act of July 12, 1921
6 (42 Stat. 128; U. S. C., title 31, sec. 636), down through
7 the first proviso therein.

8 (68) So much of the third paragraph under the heading
9 "Contingent Expenses, Navy Department" of the Act of
10 June 22, 1906 (34 Stat. 427; U. S. C., title 31, sec. 637),
11 as reads: "and hereafter it shall not be lawful to expend, for
12 any of the offices or bureaus of the Navy Department at
13 Washington, any sum out of appropriations made for the
14 naval establishment for any of the purposes mentioned or
15 authorized in the said foregoing paragraph".

16 (69) So much of the paragraph under the heading "In-
17 crease of the Navy, Equipment" of the Act of March 3, 1915
18 (38 Stat. 952; U. S. C., title 31, sec. 648), as reads: "and
19 beginning with July first, nineteen hundred and fifteen,
20 equipment outfits shall be charged to appropriation 'Increase
21 of the Navy, Construction and Machinery'".

22 (70) The two provisos in the paragraph under the
23 heading "Fuel and Transportation" of the Act of March 3,
24 1915 (38 Stat. 944; U. S. C., title 31, sec. 649).

1 (71) The proviso in the tenth paragraph on page 236
2 of volume 28 of the Statutes at Large, in the Act of August
3 6, 1894 (U. S. C., title 31, sec. 650).

4 (72) The fourth full paragraph on page 1175 of volume
5 34 of the Statutes at Large, in the Act of March 2, 1907
6 (U. S. C., title 31, sec. 655).

7 (73) So much of the first full paragraph on page 1391
8 of volume 42 of the Statutes at Large, in the Act of March
9 2, 1923 (U. S. C., title 31, sec. 656), as reads: "and
10 the Budget estimates for each of such appropriations shall
11 hereafter carry separately the amounts required for such
12 transportation costs".

13 (74) The proviso in the seventh full paragraph on page
14 520 of volume 32 of the Statutes at Large, in the Act of
15 June 30, 1902 (U. S. C., title 31, sec. 657). .

16 (75) The proviso in lines 2 through 8 on page 710
17 of volume 36 of the Statutes at Large, in the Act of June 25,
18 1910 (U. S. C., title 31, sec. 664).

19 (76) Section 3682 of the Revised Statutes (U. S. C.,
20 title 31, sec. 674).

21 (77) Section 3683 of the Revised Statutes (U. S. C.,
22 title 31, sec. 675).

23 (78) The second full paragraph on page 1303 of volume

1 41 of the Statutes at Large, in the Act of March 3, 1921
2 (U. S. C., title 31, sec. 676) .

3 (79) The proviso in lines 7 through 17 on page 203
4 of volume 20 of the Statutes at Large, in the Act of June
5 19, 1878 (U. S. C., title 31, sec. 677) .

6 (80) Section 3684 of the Revised Statutes (U. S. C.,
7 title 31, sec. 681) .

8 (81) Section 6 of the Act of May 30, 1908 (U. S. C.,
9 title 31, sec. 683) .

10 (82) So much of the paragraph under the heading
11 "Pay of Assistant Custodians and Janitors" on pages 1153
12 and 1154 of volume 31 of the Statutes at Large, in the Act
13 of March 3, 1901 (U. S. C., title 31, sec. 684) , as reads:
14 " , and hereafter no other fund appropriated shall be used
15 for this service" .

16 (83) The second paragraph under the heading "United
17 States Commerce Court" of the Act of March 4, 1911 (36
18 Stat. 1234; U. S. C., title 31, sec. 687) .

19 (84) Section 26 of the Act of June 30, 1913 (38 Stat.
20 103; U. S. C., title 31, sec. 688) .

21 (85) Section 400 of the Second Deficiency Appropria-
22 tion Act, 1947 (U. S. C., title 31, sec. 694) .

23 (b) The omission of any provision of law from the pro-

1 visions of law repealed under subsection (a) of this section
2 shall not be construed as limiting the application of section
3 204 or 216 of the Budget and Accounting Act, 1921, as
4 amended, or the powers of the President thereunder, or as
5 evidencing an intent that such provision was not to be super-
6 seded by such sections.

A BILL

To authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify Government accounting and auditing methods and procedures, and for other purposes.

By Mr. McCARTHY

JUNE 13 (legislative day, JUNE 2), 1949

Read twice and referred to the Committee on Expenditures in the Executive Departments

By Mr. McMAHON:

S. 2047. A bill for the relief of Marie C. Araujo, also known as Marie Concepcion de Brito; and

S. 2048. A bill for the relief of Moe Tanager; to the Committee on the Judiciary.

By Mr. KEFAUVER:

S. 2049. A bill for the relief of R. J. McGarry; to the Committee on the Judiciary.

S. 2050. A bill for the relief of Jesse Stokes Bowling, Jr.; to the Committee on Finance.

By Mr. GREEN:

S. 2051. A bill to amend the provisions of law authorizing the granting of leave to Government employees so as to provide that such employees shall not be required to use annual leave for the purpose of preventing its accumulation; to the Committee on Post Office and Civil Service.

By Mr. IVES:

S. 2052. A bill to provide for the conferring of the degree of bachelor of science upon graduates of the United States Merchant Marine Academy; to the Committee on Interstate and Foreign Commerce.

By Mr. MCCARRAN:

S. 2053. A bill for the relief of Mrs. James A. Vaughn and daughter Mary Ann Vaughn; to the Committee on the Judiciary.

(Mr. McCARTHY introduced the following bills, which were referred, as indicated, and appear under under a separate heading:

S. 2054. A bill to authorize the President to determine the form of the National Budget and of departmental estimates, to modernize and simplify Government accounting and auditing methods and procedures, and for other purposes; to the Committee on Expenditures in the Executive Departments.

S. 2055. A bill making changes in law applicable to the Department of Agriculture so as to permit the effectuation by the President and the Secretary of Agriculture of the recommendations regarding the Department made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Agriculture and Forestry.

S. 2056. A bill to provide for an additional Assistant Secretary of Commerce, and to give the Secretary of Commerce authority to reorganize his Department, so as to facilitate the effectuation by the President and the Secretary of Commerce of the recommendations regarding the Department of Commerce made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Interstate and Foreign Commerce.

S. 2057. A bill making certain changes in law applicable to the Department of the Interior so as to permit the effectuation by the President and the Secretary of the Interior of the recommendations regarding the Department made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Interior and Insular Affairs.

S. 2058. A bill making certain changes in laws applicable to the Department of the Treasury so as to permit the effectuation by the President and the Secretary of the Treasury of the recommendations regarding the Department of the Treasury made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Finance.

S. 2059. A bill making certain changes in laws applicable to regulatory agencies of the Government so as to effectuate the recommendations regarding regulatory agencies made by the Commission on Organization of the Executive Branch of the Government;

S. 2060. A bill to establish a Department of Welfare; and

S. 2061. A bill to create a commission to make a study of the administration of overseas activities of the Government, and to make recommendations to Congress with respect thereto; to the Committee on Expenditures in the Executive Departments.)

(Mr. McCARTHY also introduced Senate bill 2062, making various changes in laws applicable to the Post Office Department in order to furnish a basis for a reorganization of the Department, and for other purposes, which was referred to the Committee on Post Office and Civil Service, and appears under a separate heading.)

By Mr. CONNALLY (by request):

S. J. Res. 106. Joint resolution granting permission to Vernon G. MacKenzie, Sanitary Engineer Director, Public Health Service, to accept and wear a certain decoration bestowed upon him by the King of Greece; and

S. J. Res. 107. Joint resolution granting permission to Hildrus A. Poindexter, Senior Surgeon (Reserve), and Mary L. Mills, Senior Assistant Nurse Officer, of the Public Health Service, to accept the diplomas and wear the insignia of certain decorations bestowed upon them by Liberia; to the Committee on Foreign Relations.

(Mr. McCLELLAN (for himself, Mr. TYDINGS, Mr. WHERRY, Mr. REED, Mr. YOUNG, Mr. RUSSELL, Mr. BRIDGES, Mr. BYRD, Mr. EASTLAND, Mr. FULBRIGHT, Mr. FERGUSON, Mr. HOEY, Mr. IVES, Mr. McCARTHY, Mr. WILEY, Mr. MUNDT, Mr. O'CONOR, Mr. SCHOEPEL, Mrs. SMITH of Maine, Mr. GILLETTE, Mr. DOUGLAS, Mr. KEM, Mr. BRICKER, Mr. CAPEHART, Mr. ECTON, Mr. JENNER, Mr. MILLIKIN, Mr. BREWSTER, Mr. ELLENDER, and Mr. ROBERTSON) introduced Senate Joint Resolution 108, to reduce expenditures in Government for the fiscal year 1950 consistent with the public interest, which was referred to the Committee on Expenditures in the Executive Departments, and appears under a separate heading.)

REORGANIZATION OF GOVERNMENT— INTRODUCTION OF BILLS

Mr. McCARTHY. Mr. President, I introduce for appropriate reference eight bills relating to reorganization of the Government, and I ask unanimous consent that I may proceed a few minutes in connection therewith.

The PRESIDENT pro tempore. The bills will be received and appropriately referred, and, without objection, the Senator may proceed. The Chair hears no objection.

The bills introduced by Mr. McCARTHY were severally read twice by their titles, and referred as indicated:

S. 2054. A bill to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify Government accounting and auditing methods and procedures, and for other purposes; to the Committee on Expenditures in the Executive Departments.

S. 2055. A bill making changes in law applicable to the Department of Agriculture so as to permit the effectuation by the President and the Secretary of Agriculture of the recommendations regarding the Department made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Agriculture and Forestry.

S. 2056. A bill to provide for an additional Assistant Secretary of Commerce, and to give the Secretary of Commerce authority to reorganize his Department, so as to facilitate the effectuation by the President and the Secretary of Commerce of the recommendations regarding the Department of Commerce made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Interstate and Foreign Commerce.

S. 2057. A bill making certain changes in law applicable to the Department of the Interior so as to permit the effectuation by the President and the Secretary of the Interior of the recommendations regarding the Department made by the Commission on Organiza-

tion of the Executive Branch of the Government; to the Committee on Interior and Insular Affairs.

S. 2058. A bill making certain changes in laws applicable to the Department of the Treasury so as to permit the effectuation by the President and the Secretary of the Treasury of the recommendations regarding the Department of the Treasury made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Finance.

S. 2059. A bill making certain changes in laws applicable to regulatory agencies of the Government so as to effectuate the recommendations regarding regulatory agencies made by the Commission on Organization of the Executive Branch of the Government;

S. 2060. A bill to establish a Department of Welfare; and

S. 2061. A bill to create a Commission to make a study of the administration of overseas activities of the Government, and to make recommendations to Congress with respect thereto; to the Committee on Expenditures in the Executive Departments.

Mr. McCARTHY. Mr. President, I should like to state, first, that the bills which I have introduced are not the result of work on my part, but the result of almost unlimited work on the part of the Hoover Commission. The bills which I have introduced have been drafted by the legal staff of the Hoover Commission.

At this time I wish to express a thought which has been in the minds of all members of the Committee on Expenditures in the Executive Departments. The chairman of that committee, the Senator from Arkansas [Mr. McCLELLAN] has been doing what we consider to be an outstanding job. He has been conducting a completely nonpartisan, nonpolitical study of the Hoover Commission recommendations. To this date he has succeeded in the unusual accomplishment of having every piece of legislation reported from that committee approved by a unanimous vote, despite the fact among the membership of the committee is represented a vast range of opinions and political philosophies, all the way from the opinions and philosophy of the Senator from Idaho [Mr. TAYLOR], for example, to those of the Senator from Mississippi [Mr. EASTLAND]. Up to this time every bill which has been reported from that committee has been reported by a unanimous vote. I think that is a great tribute to the chairman of the committee. I think the people of the Nation will owe the Senator from Arkansas a great debt of gratitude if and when the Hoover Commission recommendations are enacted into law.

ECONOMY IN GOVERNMENT— EXPENDITURES

Mr. McCLELLAN. Mr. President, I ask unanimous consent to make an announcement at this time.

The PRESIDENT pro tempore. Without objection, the Senator from Arkansas may proceed.

Mr. McCLELLAN. This morning the Committee on Expenditures in the Executive Departments approved a joint resolution to be introduced today for myself and certain other Senators. It is a measure dealing with the subject of economy. It is in line with measures introduced by the Senator from Maryland [Mr. TYDINGS], the Senator from Nebraska [Mr. WHERRY], and other Sen-

ators. The joint resolution is the committee's product. The committee worked it out. A number of Senators have expressed a desire to join as sponsors in introducing the joint resolution. So I make the announcement that the joint resolution will be on the clerk's desk during today and we shall be very happy to have any Senator who wishes to join as cosponsor do so.

The joint resolution (S. J. Res. 108) to reduce expenditures in Government for the fiscal year 1950 consistent with the public interest, introduced by Mr. McCLELLAN (for himself, Mr. TYDINGS, Mr. WHERRY, Mr. REED, Mr. YOUNG, Mr. RUSSELL, Mr. BRIDGES, Mr. BYRD, Mr. EASTLAND, Mr. FULBRIGHT, Mr. FERGUSON, Mr. HOEY, Mr. IVES, Mr. MCCARTHY, Mr. WILEY, Mr. MUNDT, Mr. O'CONOR, Mr. SCHOEPPPEL, Mrs. SMITH of Maine, Mr. GILLETTE, Mr. DOUGLAS, Mr. KEN, Mr. BRICKER, Mr. CAPEHART, Mr. ECTON, Mr. JENNER, Mr. MILLIKIN, Mr. BREWSTER, Mr. ELLENDER, and Mr. ROBERTSON), was received, read twice by its title, and referred to the Committee on Expenditures in the Executive Departments.

Subsequently,

Mr. McCLELLAN, from the Committee on Expenditures in the Executive Departments, to which was referred the joint resolution (S. J. Res. 108) to reduce expenditures in Government for the fiscal year 1950 consistent with the public interest, reported it without amendment and submitted a report (No. 498) thereon.

LEAVES OF ABSENCE

Mr. PEPPER. Mr. President, I ask unanimous consent that my colleague [Mr. HOLLAND], who is in Florida upon public business today and tomorrow, may be excused from attendance upon the sessions of the Senate for those 2 days.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MUNDT asked and obtained consent to be absent from the session of the Senate tomorrow for the purpose of participating in the annual Flag Day exercises at Philadelphia, Pa.

FARM SURPLUSES AND THEIR SOLUTION—ADDRESS BY SENATOR WHERRY

[Mr. WHERRY asked and obtained leave to have printed in the RECORD an address entitled "Farm Surpluses and Their Solution," delivered by him before the Nebraska Stock Growers' Association at Alliance, Nebr., on June 10, 1949, which appears in the Appendix.]

WORLD PEACE OR A WORLD IN PIECES—ADDRESS BY SENATOR TOBEY

[Mr. TOBEY asked and obtained leave to have printed in the RECORD an address entitled "World Peace of a World in Pieces," delivered by him before the United World Federalists, at Madison Square Garden, New York City, on June 9, 1949, which appears in the Appendix.]

ADDRESS BY SENATOR LANGER AT CONVENTION OF UNITED LABOR PARTY

[Mr. LANGER asked and obtained leave to have printed in the RECORD an address delivered by him at the convention of the United Labor Party in Cleveland, Ohio, on June 12, 1949, which appears in the Appendix.]

ADDRESS BY HON. TRYGVE LIE AT THE UNIVERSITY OF CHATTANOOGA

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD the text of an address delivered by Hon. Trygve Lie, United Nations Secretary-General, at the University of Chattanooga on June 6, 1949, which appears in the Appendix.]

THE WORK OF THE TVA—COMPOSITION BY PHIL WHITAKER, JR.

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD a composition entitled "The Work of the TVA," written by Phil Whitaker, Jr., of Chattanooga, Tenn., which appears in the Appendix.]

ADDRESS BY ALEX HILLMAN AT COMMENCEMENT EXERCISES OF PACIFIC UNIVERSITY

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD the address delivered by Alex Hillman, at the commencement exercises of Pacific University, which will appear hereafter in the Appendix.]

HOW MUCH DO PEOPLE CARE?—ARTICLE BY WHEELER McMILLEN

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an article entitled "How Much Do People Care?" written for the Pathfinder magazine by Wheeler McMillen, publisher, which appears in the Appendix.]

BACK POST-OFFICE EMPLOYEES—EDITORIAL FROM THE NEW YORK WORLD-TELEGRAM

Mr. LANCER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an editorial entitled "Back Post-Office Employees," published in the New York World-Telegram of June 9, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BACK POST-OFFICE EMPLOYEES

Congress would be unfair to some 375,000 faithful post-office workers if it ended its current session without acting on their cost-of-living and other requests which are, briefly:

Salary increase of \$650 a year for all postal employees.

Vacation of 26 days and 15 days sick leave. This is what other Federal employees get now, whereas postal employees are allowed only a present 15 days vacation and 10 days sick leave.

Service in the armed forces in World War II to be credited as time employed in the post office for promotion in automatic pay grades.

Past service credits in longevity grades for older workers.

Retirement at a full annuity after 30 years of service, with minimum age 55.

The above are what seem reasonable equalizations urged upon congressional committees by the more than 18,000 members of the Joint Conference of Affiliated Postal Employees (AFL) in Greater New York and vicinity, through their legislative representative, Jerome J. Strauber.

These postal employees, remember, have no strike weapon. For fair treatment in the matter of wage and living standards, they have to rely solely on Congress and pressure of public opinion.

Amid "rounds" of industrial wage boosts the public should be in no mood to see post office workers forced to take extra jobs to eke out insufficient incomes the Post Office

Department is against raising unless it gets bigger revenues.

Nothing compels Congress to neglect postal personnel while handing out pay increases for other Federal employee groups.

Nor has Congress ever yet declared the Post Office must be self-supporting, no matter how its own employees may suffer.

The danger is that Congress may stall along on these postal workers' requests until it can suddenly pretend it's too late.

To prevent that, it's up to the public to do some prompt and pointed prodding. Letters and telegrams to Congressmen are still delivered—often with marked effect.

NATIONAL COMMITTEE FOR FREE EUROPE, INC.

Mr. HENDRICKSON. Mr. President, I ask unanimous consent that there be printed in the body of the RECORD two statements, one by the distinguished senior Senator from New Jersey, my colleague [Mr. SMITH], in respect to Hon. Joseph C. Grew, former Under Secretary of State and Ambassador to Japan at the time of the Pearl Harbor attack, who has been made chairman of the National Committee for Free Europe, Inc., and the other a declaration of policy of the National Committee for Free Europe, Inc., including a statement to the press by Mr. Grew.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR SMITH

JUNE 13, 1949.

Mr. President, I have just been advised that Hon. Joseph C. Grew, former Under Secretary of State and Ambassador to Japan at the time of the Pearl Harbor attack, has recently been made chairman of an important voluntary committee entitled "National Committee for Free Europe, Inc."

This committee, which has a distinguished list of sponsors, in addition to Mr. Grew, aims to give special aid to those democratic leaders who have escaped from eastern Europe to the United States, and are prepared to continue their stand against communism, looking forward to the day when the iron curtain will fall and eastern Europe will be ripe for democratic remaking.

This undertaking appears to me to be of first importance, not only because of the distinction of the chairman, but also because of the outstanding list of sponsors who have been organized to develop the program.

I ask unanimous consent to insert in the body of the RECORD a statement issued by the committee on June 1 last, together with a copy of the declaration of policy of the committee, and a copy of Chairman Grew's introductory remarks to the press on the same subject. The statement which follows includes the names of the distinguished sponsors of the new program.

STATEMENT OF NATIONAL COMMITTEE FOR FREE EUROPE, INC.

NEW YORK, N. Y., June 1.—Joseph C. Grew, former Under Secretary of State and Ambassador to Japan at the time of Pearl Harbor, today announced the formation of the National Committee for Free Europe, Inc.

Among the sponsors of the new organization, of which Mr. Grew is chairman, are: Frank Altschul, treasurer; Hamilton Fish Armstrong; A. A. Berle, Jr.; Francis Biddle; Robert Woods Bliss; James B. Carey; Hugh A. Drum; Allen W. Dulles; Dwight D. Eisen-

81ST CONGRESS
1ST SESSION

H. R. 5178

IN THE HOUSE OF REPRESENTATIVES

JUNE 15, 1949

Mr. HOFFMAN of Michigan introduced the following bill; which was referred to the Committee on Expenditures in the Executive Departments

A BILL

To authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify Government accounting and auditing methods and procedures, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Budget and Accounting
4 Procedures Act, 1949".

5 PART I—THE BUDGET AND THE OFFICE OF THE BUDGET
6 BUDGET AND DEPARTMENTAL ESTIMATES TO BE IN FORM
7 PRESCRIBED BY THE PRESIDENT

8 SEC. 2. (a) So much of section 201 of the Budget and
9 Accounting Act, 1921, as amended, as precedes subsection
10 (a) thereof is amended to read as follows:

1 “SEC. 201. The President shall, during the first three
2 months of each regular session of Congress, transmit to Con-
3 gress the Budget. The Budget shall be in such form as the
4 President may determine, but there shall be included
5 therein——”.

6 (b) Section 204 of the Budget and Accounting Act,
7 1921 (U. S. C., title 31, sec. 581) is amended to read as
8 follows:

9 “SEC. 204. Notwithstanding any other provisions of
10 law, the contents, order, classification, and arrangement of
11 the proposed appropriations and estimates of appropriations
12 and the statements of expenditures and estimated expendi-
13 tures contained in the Budget or transmitted under section
14 203, and the notes and other data submitted therewith, shall
15 conform only to such requirements as the President may
16 prescribe.”

17 (c) Section 214 of the Budget and Accounting Act,
18 1921, as amended, is amended to read as follows:

19 “SEC. 214. The head of each department and establish-
20 ment shall prepare or cause to be prepared in each year, in
21 such form and at such times as the President may prescribe,
22 the estimates for the department or establishment, and shall
23 also prepare or cause to be prepared, in such form and at
24 such times as the President may prescribe, such supple-

1 mental and deficiency estimates as may be required for its
2 work.”

3 (d) The first sentence of section 215 of the Budget and
4 Accounting Act, 1921, as amended, is amended to read as
5 follows: “The head of each department and establishment
6 shall submit the estimates for the department or establish-
7 ment to the Bureau on or before such date as the President
8 may prescribe.”

9 (e) Section 216 of the Budget and Accounting Act,
10 1921, as amended, is amended to read as follows:

11 “SEC. 216. The departmental estimates and any supple-
12 mental or deficiency estimates submitted to the Bureau of
13 the Budget by the head of any department or establishment
14 shall, notwithstanding any other provision of law (whether
15 such provision has heretofore required estimates or justi-
16 fications to be submitted in a particular form or detail or
17 by a particular classification or classifications, or otherwise),
18 be prepared and submitted in such form, manner, and detail,
19 and by such classifications, as the President may prescribe,
20 and not otherwise.”

21 CHANGE OF NAME OF BUREAU OF BUDGET

22 SEC. 3. The Bureau of the Budget shall hereafter be
23 known as the Office of the Budget, and as such shall continue
24 as an agency in the Executive Office of the President.

1 ADDITIONAL FUNCTIONS OF DIRECTOR OF THE BUDGET IN
2 RESPECT OF GOVERNMENT STATISTICAL ACTIVITIES

3 SEC. 4. (a) In addition to the existing functions of the
4 Director of the Budget in respect of Government statistical
5 services and in addition to the other functions vested by law
6 in the Director of the Budget, the Director, as and when
7 directed by the President and subject to supervision and con-
8 trol of the President, is authorized and directed to develop
9 programs (1) for the improvement of the methods and pro-
10 cedures used in gathering and assembling information to be
11 used for statistical purposes, and in compiling, publishing,
12 and disseminating statistics and statistical information by the
13 various agencies in the executive branch of the Government,
14 and (2) for the improvement of coordination and for the
15 elimination of duplication, among the various executive
16 agencies, in gathering, assembling, compiling, publishing, and
17 disseminating statistics and statistical information.

18 (b) The Director, as and when directed by the Pres-
19 ident and subject to supervision and control of the President,
20 shall embody such programs in regulations or directives
21 directed to the various executive agencies, and such regula-
22 tions and directives shall be adhered to by such agencies and
23 the heads thereof.

1 ADDITIONAL FUNCTIONS OF DIRECTOR OF BUDGET IN
2 RESPECT OF FIELD SERVICES OF THE VARIOUS EXECU-
3 TIVE AGENCIES

4 SEC. 5. (a) In addition to the other functions vested
5 by law in the Director of the Budget, the Director, as and
6 when directed by the President and subject to the super-
7 vision and control of the President, is authorized and directed
8 to develop programs for the improvement of coordination
9 between, and improvement in the effectiveness of, the field
10 offices of the various executive agencies. In developing
11 such programs the Director shall consider—

12 (1) the need for administrative regions on a com-
13 parable geographic basis to govern the various field
14 offices;

15 (2) the need for greater utilization of pooled cen-
16 tralized administrative services, such as personnel,
17 supply, motor transport, space, and other similar
18 services;

19 (3) the need for establishing standards for report-
20 ing by the various field offices as to their work;

21 (4) the need for standardizing field relationships
22 with State and local officials;

23 (5) the need for simplifying field service manuals.

1 (b) The Director, as and when directed by the Presi-
2 dent and subject to the supervision and control of the Presi-
3 dent, shall embody such programs in regulations or directives
4 directed to the various executive agencies, and such regula-
5 tions and directives shall be adhered to by such agencies
6 and the heads thereof.

7 FUNCTIONS OF DIRECTOR OF BUDGET IN RESPECT OF
8 PERSONNEL CEILINGS TRANSFERRED TO PRESIDENT

9 SEC. 6. The functions heretofore vested in the Director
10 of the Budget under the Federal Employees Pay Act of
11 1945, as amended, are hereby transferred to the President.
12 Such functions may be exercised by the President or, under
13 and in accordance with such regulations or orders as the
14 President may prescribe, by such officer or officers of the
15 Government as the President may direct.

16 PART II—ACCOUNTING

17 ACCOUNTANT GENERAL IN THE DEPARTMENT OF THE
18 TREASURY

19 SEC. 20. The Secretary of the Treasury is authorized
20 to create in the Department of the Treasury a service to
21 be known as the Accounting Service with an Accountant
22 General at its head, who shall be appointed by the Secre-
23 tary of the Treasury and shall receive compensation at a
24 rate fixed in accordance with the laws and regulations
25 applicable to the compensation of officers and employees in

1 the executive branch of the Government. The Secretary
2 of the Treasury may provide for the performance by the
3 Accounting General and the Accounting Service, of the
4 functions vested in the Secretary of the Treasury by this
5 Act.

6 REGULATIONS GOVERNING ACCOUNTING BY EXECUTIVE
7 AGENCIES

8 SEC. 21. Subject to the authority of the Comptroller
9 General of the United States under section 309 of the Budget
10 and Accounting Act, 1921, as amended, the Secretary of
11 the Treasury is authorized by regulation to prescribe the
12 general accounting methods, practices, and procedures (in-
13 cluding property and cost accounts and expenditure con-
14 trols) to be followed by all agencies in the executive branch
15 of the Government, and is also authorized to supervise
16 operations under such methods, practices, and procedures
17 in all of such agencies. The regulations of the Secretary
18 shall include provisions for frequent reports to him from
19 the various executive agencies as to the status of their ac-
20 counts. The Secretary shall from time to time combine such
21 reports into summary accounts of the executive branch of the
22 Government and prepare financial reports covering all the
23 accounting operations of the Government for the informa-
24 tion of the President, Congress, and the public.

1 INTERPRETATIVE REGULATIONS AND OPINIONS AS TO
2 AVAILABILITY OF APPROPRIATIONS

3 SEC. 22. (a) The Secretary of the Treasury is author-
4 ized, in consultation with the Comptroller General of the
5 United States, to issue from time to time, for the guidance
6 of disbursing and certifying officers, regulations and opinions
7 as to the application, scope, and availability of appropriations
8 made by Congress.

9 (b) Section 309 of the Budget and Accounting Act,
10 1921, as amended, is amended to read as follows:

11 "SEC. 309. The Comptroller General shall, subject to
12 section 23 of the Budget and Accounting Procedures Act,
13 1949, prescribe the forms, systems, and procedures for the
14 administrative examination of fiscal officers' accounts and
15 claims against the United States, and for the audit and
16 settlement of such accounts. He shall also examine regu-
17 lations proposed to be issued by the Secretary of the Treas-
18 ury under section 21 of the Budget and Accounting Pro-
19 cedures Act, 1949, and shall have power to approve, or
20 withhold his approval of, the issuance of such regulations
21 insofar as they prescribe forms, systems, or procedures for
22 administrative appropriation and fund accounting. If and
23 to the extent that such proposed regulations in this respect
24 are not approved by the Comptroller General, they shall
25 not become effective."

1 ADMINISTRATIVE EXAMINATION OF ACCOUNTS; AUDIT AND
2 SETTLEMENT OF ACCOUNTS BY COMPTROLLER GENERAL

3 SEC. 23. (a) Notwithstanding any other provision of
4 law, the head of each agency is authorized to conduct his
5 administrative examination, and the Comptroller General of
6 the United States is authorized and directed so far as prac-
7 ticable to conduct his examination and audit, of the admin-
8 istrative accounts of the various executive agencies and
9 officers thereof at the places in such agencies where such
10 accounts, and the vouchers and supporting documents in con-
11 nection therewith, are regularly kept, and such accounts,
12 vouchers, and documents shall not be required to be trans-
13 mitted to the General Accounting Office in Washington,
14 District of Columbia, or, except upon the direction of the
15 head of the agency concerned, be required to be transmitted
16 to such head.

17 (b) Notwithstanding any other provision of law, the
18 Comptroller General of the United States is authorized to
19 audit and settle accounts on the basis merely of spot checks,
20 sampling, and other checking processes and to settle accounts
21 and certify balances of accounts pursuant to audits made on
22 such basis.

1 MANAGEMENT PROCEDURES IN RESPECT OF PUBLIC

2 MONEYS

3 SEC. 24. (a) The Secretary of the Treasury and the
4 Comptroller General of the United States shall jointly pre-
5 pare, and with the approval of the President issue, regu-
6 lations prescribing procedures (accounting, control, and
7 otherwise) governing the drawing of moneys from the
8 Treasury and the making of disbursements of public funds
9 of the United States, prescribing procedures governing the
10 receiving and holding of moneys in behalf of the United
11 States and the covering of moneys into the Treasury, and
12 prescribing the liabilities, in respect of the foregoing, of
13 officers made accountable under such regulations.

14 (b) Regulations issued pursuant to this section shall
15 be binding on, and be adhered to by, all officers and agencies
16 of the United States, and shall, to the extent prescribed
17 therein supersede existing laws, regulations, orders, and
18 directives in respect of the matters described in sub-
19 section (a).

20 PART III—SPECIFIC REPEALS

21 REPEALS

22 SEC. 30. (a) The following Acts and parts of Acts are
23 hereby repealed:

24 (1) Section 10 of the Act of August 1, 1914 (38
25 Stat. 680; U. S. C., title 31, sec. 582).

1 (2) So much of section 4 of the Act of June 20, 1874
2 (18 Stat. 109; U. S. C., title 31, sec. 583 (1)), as reads:
3 “; and hereafter the Secretary of the Treasury shall annually
4 submit to Congress detailed estimates of appropriations re-
5 quired for said expenses;”.

6 (3) The last proviso in the first paragraph under the
7 heading “Judgments; United States Courts” of the Act of
8 April 27, 1904 (33 Stat. 422; U. S. C., title 31, sec.
9 583 (2)).

10 (4) The last sentence of section 5 of the Act of August
11 5, 1882 (22 Stat. 256; U. S. C., title 31, sec. 583 (3)).

12 (5) So much of the matter appearing under the heading
13 “Mints and Assay Offices” of the Act of March 4, 1911 (36
14 Stat. 1292; U. S. C., title 31, sec. 583 (4)), as reads:
15 “, and the Secretary of the Treasury shall, for the fiscal year
16 nineteen hundred and thirteen, and annually thereafter, sub-
17 mit to Congress, in the regular book of estimates, detailed
18 estimates for the expenses of this Service”.

19 (6) So much of the matter appearing under the heading
20 “Treasury Department” in the Act of August 26, 1912 (37
21 Stat. 596; U. S. C., title 31, sec. 583 (5)), as reads:
22 “*Provided further*, That estimates hereunder shall be sub-
23 mitted in detail for the fiscal year 1914, and annually
24 thereafter”.

25 (7) The last sentence of the paragraph under the head-

1 ing "Federal Farm Loan Board" of the Act of September
2 8, 1916 (U. S. C., title 31, sec. 583 (7)), appearing on
3 page 803 of volume 39 of the Statutes at Large; and the
4 third and last paragraph under the heading "Federal Farm
5 Loan Bureau" of the Act of March 3, 1917 (U. S. C., title
6 31, sec. 583 (7)), appearing on page 1084 of volume 39
7 of the Statutes at Large.

8 (8) The last sentence on page 48 of volume 30 of the
9 Statutes at Large, in the Act of June 4, 1897 (U. S. C.,
10 title 31, sec. 583 (8)).

11 (9) The first sentence of section 6 of the Act of March
12 3, 1919 (40 Stat. 1309; U. S. C., title 31, sec. 583 (10)).

13 (10) The last proviso under the heading "Office of the
14 Chief Signal Officer" of the Act of March 2, 1907 (34 Stat.
15 1159; U. S. C., title 31, sec. 583 (11)).

16 (11) The sixth full paragraph appearing on page 648
17 of volume 29 of the Statutes at Large in the Act of March 3,
18 1897 (U. S. C., title 31, sec. 583 (13)).

19 (12) So much of the matter following the heading
20 "Bureau of Mines" in the Act of March 3, 1915 (38 Stat.
21 858; U. S. C., title 31, sec. 583 (14)) as reads: "estimates
22 shall be submitted specifically for all personal services re-
23 quired permanently and entirely in the Bureau of Mines at
24 Washington, District of Columbia, and previously paid from
25 lump-sum or general appropriations;".

(13) The proviso at the end of the fourth paragraph on page 312 of volume 37 of the Statutes at Large, in the Act of August 17, 1912 (U. S. C., title 31, sec. 583 (15)).

(14) The third paragraph appearing on page 1082 of volume 32 of the Statutes at Large, in the Act of March 3, 1903 (U. S. C., title 31, sec. 583 (16)).

(15) So much of section 12 of the Act of June 26, 1906 (34 Stat. 480; U. S. C., title 31, sec. 583 (18)), as reads: "and he shall annually submit to Congress estimates to cover the cost of the establishment and maintenance of fish hatcheries in Alaska, the salaries and actual traveling expenses of such officials, and for such other expenditures as may be necessary to carry out the provisions of this Act".

(16) The proviso at the end of the first full paragraph on page 456 of volume 32 of the Statutes at Large, in the Act of June 28, 1902 (U. S. C., title 31, sec. 583 (20)).

(17) The second full paragraph on page 841 of volume 38 of the Statutes at Large, in the Act of March 3, 1915 (U. S. C., title 31, sec. 583 (21)).

(18) The fourth full paragraph on page 2 of volume 38 of the Statutes at Large, in the Act of May 1, 1913 (U. S. C., title 31, sec. 583 (22)).

(19) The proviso at the end of the second paragraph under the heading "Bureau of Immigration and Naturaliza-

1 tion" of the Act of March 4, 1907 (34 Stat. 1329, 1330;
2 U. S. C., title 31, sec. 583 (23)).

3 (20) The second full paragraph on page 374 of volume
4 35 of the Statutes at Large, in the Act of May 27, 1908
5 (U. S. C., title 31, sec. 583 (25)).

6 (21) So much of the last paragraph on page 396 of
7 volume 37 of the Statutes at Large, in the Act of August
8 23, 1912 (U. S. C., title 31, sec. 583 (26)), as reads:
9 "For the fiscal year nineteen hundred and fourteen and
10 annually thereafter estimates in detail shall be submitted for
11 all personal services required in the Indian Office,".

12 (22) The proviso at the end of the first full paragraph
13 on page 646 of volume 41 of the Statutes at Large, in the
14 Act of May 29, 1920 (U. S. C., title 31, sec. 584).

15 (23) Section 3660 of the Revised Statutes (U. S. C.,
16 title 31, sec. 585).

17 (24) Section 4 of the Act of June 22, 1906 (34 Stat.
18 448; U. S. C., title 31, sec. 586).

19 (25) Section 4 of the Act of March 4, 1909 (35 Stat.
20 907; U. S. C., title 31, sec. 587).

21 (26) Section 2 of the Act of June 30, 1906 (34 Stat.
22 762; U. S. C., title 31, sec. 588); and the proviso in the
23 first paragraph on page 1367 of volume 34 of the Statutes
24 at Large, in the Act of March 4, 1907 (U. S. C., title 31,
25 sec. 588).

1 (27) Section 3661, as amended, of the Revised Statutes
2 (U. S. C., title 31, sec. 589).

3 (28) So much of the first paragraph on page 255 of
4 volume 24 of the Statutes at Large, in the Act of August
5 4, 1886 (U. S. C., title 31, sec. 590), as reads: “: *Pro-*
6 *vided further*, That all printing and engraving for the
7 Geological Survey, the Coast and Geodetic Survey, and
8 Hydrographic Office of the Navy Department, and the Signal
9 Service shall hereafter be estimated for separately and in
10 detail, and appropriated for separately for each of said
11 bureaus”.

12 (29) Section 3662 of the Revised Statutes (U. S. C.,
13 title 31, sec. 591).

14 (30) Section 3663 of the Revised Statutes, as amended
15 (U. S. C., title 31, sec. 594).

16 (31) Section 3664 of the Revised Statutes (U. S. C.,
17 title 31, sec. 597).

18 (32) Section 3665 of the Revised Statutes (U. S. C.,
19 title 31, sec. 598).

20 (33) The second paragraph under the heading “Rev-
21 enue-Cutter Service” in the Act of March 2, 1889 (25
22 Stat. 907; U. S. C., title 31, sec. 600).

23 (34) So much of the second full paragraph on page
24 512 of volume 24 of the Statutes at Large, in the Act of
25 March 3, 1887 (U. S. C., title 31, sec. 601), as reads:

1 "That the Secretary of the Treasury shall for the fiscal year
2 eighteen hundred and eighty-seven, and for each fiscal year
3 thereafter in the annual estimates, report to Congress the
4 number of persons employed outside of the District of Co-
5 lumbia, as superintendents, clerks, watchmen and otherwise,
6 and paid from appropriations for the construction of public
7 buildings showing where said persons are employed, in
8 what capacity, the length of time and at what rate of
9 compensation,".

10 (35) So much of the sixth full paragraph on page 374
11 of volume 26 of the Statutes at Large, in the Act of August
12 30, 1890 (U. S. C., title 31, sec. 601) as reads: "; and
13 hereafter the Secretary of the Treasury shall annually re-
14 port to Congress in the book of estimates a statement of
15 the expenditure of the appropriation for 'repairs and preser-
16 vation of public buildings' which shall show the amount
17 expended on each public building and the number of per-
18 sons employed and paid salaries from such appropriation".

19 (36) So much of section 1317 of the Revenue Act of
20 1921 (42 Stat. 314; U. S. C., title 31, sec. 602) as reads:
21 "; and the Secretary of the Treasury shall submit for the
22 fiscal year 1921, and annually thereafter, an estimate of
23 appropriations to refund and pay back duties or taxes
24 erroneously or illegally assessed or collected under the in-

1 ternal revenue laws, and to pay judgments, including in-
 2 terest and costs, rendered for taxes or penalties erroneously
 3 or illegally assessed or collected under the internal revenue
 4 laws”.

5 (37) The first paragraph on page 133 of volume
 6 22 of the Statutes at Large, in the Act of July 1, 1882
 7 (U. S. C., title 31, sec. 603).

8 (38) The eighth paragraph under the heading “For-
 9 eign Intercourse” of the Act of May 3, 1905 (33 Stat.
 10 1214; U. S. C., title 31, sec. 603).

11 (39) The last paragraph on page 48 of volume 30
 12 of the Statutes at Large, in the Act of June 4, 1897
 13 (U. S. C., title 31, sec. 604).

14 (40) The eighth paragraph under the heading “Under
 15 the Engineer Department” of the Act of February 13, 1913
 16 (37 Stat. 671; U. S. C., title 31, sec. 605).

17 (41) The sixth paragraph under the heading “Fortifi-
 18 cations in Insular Possessions” of the Act of March 3, 1905
 19 (33 Stat. 847; U. S. C., title 31, sec. 606).

20 (42) So much of the first section of the Act of August
 21 4, 1886 (24 Stat. 246; U. S. C., title 31, sec. 607), as
 22 reads: “the estimates for the Army and Navy hospital
 23 service shall be submitted as a part of the Military
 24 Establishment”.

1 (43) The first full paragraph on page 117 of volume
2 31 of the Statutes at Large, in the Act of April 17, 1900
3 (U. S. C., title 31, sec. 609) .

4 (44) Section 3668 of the Revised Statutes (U. S. C.,
5 title 31, sec. 610) .

6 (45) So much of the first paragraph on page 357 of
7 volume 20 of the Statutes at Large, in the Act of March
8 3, 1879 (U. S. C., title 31, sec. 611), as reads: “: *Pro-*
9 *vided*, That hereafter, in making his estimates for railway
10 mail service, the Postmaster General shall separate the esti-
11 mate for postal-car service from the general estimates; and
12 in case any increase or diminution of service by postal cars
13 shall be made by him, the reasons therefor shall be given
14 in his annual report next succeeding such increase or
15 diminution”.

16 (46) So much of the first paragraph under the heading
17 “United States Geological Survey” in the Act of March 3,
18 1887 (24 Stat. 527; U. S. C., title 31, sec. 612), as reads:
19 “; and hereafter the estimates for the Geological Survey
20 shall be itemized”.

21 (47) The first paragraph on page 455 of volume 32 of
22 the Statutes at Large, in the Act of June 28, 1902 (U. S.
23 C., title 31, sec. 612) .

24 (48) Section 4 of the Act of August 15, 1876 (19
25 Stat. 200; U. S. C., title 31, sec. 613) .

1 (49) The fourth paragraph of section 26 of the Act
2 of June 30, 1913 (38 Stat. 103; U. S. C., title 31, sec.
3 613).

4 (50) The eighth full paragraph on page 1421 of vol-
5 ume 36 of the Statutes at Large, in the Act of March 4,
6 1911 (U. S. C., title 31, sec. 614).

7 (51) The eighth full paragraph on page 1206 of vol-
8 ume 33 of the Statutes at Large, in the Act of March 3,
9 1905 (U. S. C., title 31, sec. 615).

10 (52) The fourth full paragraph under the heading
11 "Government in the Territories" of the Act of July 16,
12 1914 (38 Stat. 479; U. S. C., title 31, sec. 616).

13 (53) The first full paragraph on page 492 of volume
14 39 of the Statutes at Large, in the Act of August 11, 1916
15 (U. S. C., title 31, sec. 617).

16 (54) The proviso in the first paragraph under the
17 heading "Rent in the District of Columbia" of the Act of
18 March 4, 1915 (38 Stat. 1108; U. S. C., title 31, sec.
19 617).

20 (55) Paragraph (89) of section 1 of the Act of May
21 29, 1928 (45 Stat. 992; U. S. C., title 31, sec. 617).

22 (56) The seventh paragraph on page 433 of volume
23 32 of the Statutes at Large, in the Act of June 28, 1902
24 (U. S. C., title 31, sec. 618).

25 (57) The ninth full paragraph on page 755 of volume

1 36 of the Statutes at Large, in the Act of June 25, 1910
2 (U. S. C., title 31, sec. 618).

3 (58) The fourth full paragraph on page 362 of volume
4 27 of the Statutes at Large, in the Act of August 5, 1892
5 (U. S. C., title 31, sec. 619).

6 (59) The first full paragraph on page 764 of volume
7 36 of the Statutes at Large, in the Act of June 25, 1910
8 (U. S. C., title 31, sec. 620).

9 (60) Section 6 of the Act of August 1, 1914 (38
10 Stat. 679; U. S. C., title 31, sec. 621).

11 (61) The last full sentence in the first paragraph on
12 page 254 of volume 23 of the Statutes at Large, in the Act
13 of July 7, 1884 (U. S. C., title 31, sec. 622).

14 (62) Section 5 of the Act of June 30, 1906 (34 Stat.
15 763; U. S. C., title 31, sec. 626).

16 (63) The proviso at the end of the first paragraph on
17 page 579 of volume 37 of the Statutes at Large, in the Act
18 of August 24, 1912 (U. S. C., title 31, sec. 626).

19 (64) Section 7, as amended, of the Act of August 26,
20 1912 (37 Stat. 626; 37 Stat. 790; U. S. C., title 31, sec.
21 629).

22 (65) The fourth full paragraph on page 854 of volume
23 37 of the Statutes at Large, in the Act of March 4, 1913
24 (U. S. C., title 31, sec. 630).

1 (66) The proviso at the end of the seventh paragraph
2 on page 1030 of volume 31 of the Statutes at Large, in the
3 Act of March 3, 1901 (U. S. C., title 31, sec. 633).

4 (67) The second paragraph under the heading "Con-
5 tingent, Bureau of Ordnance" of the Act of July 12, 1921
6 (42 Stat. 128; U. S. C., title 31, sec. 636), down through
7 the first proviso therein.

8 (68) So much of the third paragraph under the heading
9 "Contingent Expenses, Navy Department" of the Act of
10 June 22, 1906 (34 Stat. 427; U. S. C., title 31, sec. 637),
11 as reads: "and hereafter it shall not be lawful to expend, for
12 any of the offices or bureaus of the Navy Department at
13 Washington, any sum out of appropriations made for the
14 naval establishment for any of the purposes mentioned or
15 authorized in the said foregoing paragraph".

16 (69) So much of the paragraph under the heading "In-
17 crease of the Navy, Equipment" of the Act of March 3, 1915
18 (38 Stat. 952; U. S. C., title 31, sec. 648), as reads: "and
19 beginning with July first, nineteen hundred and fifteen,
20 equipment outfits shall be charged to appropriation 'Increase
21 of the Navy, Construction and Machinery'".

22 (70) The two provisos in the paragraph under the
23 heading "Fuel and Transportation" of the Act of March 3,
24 1915 (38 Stat. 944; U. S. C., title 31, sec. 649).

1 (71) The proviso in the tenth paragraph on page 236
2 of volume 28 of the Statutes at Large, in the Act of August
3 6, 1894 (U. S. C., title 31, sec. 650).

4 (72) The fourth full paragraph on page 1175 of volume
5 34 of the Statutes at Large, in the Act of March 2, 1907
6 (U. S. C., title 31, sec. 655).

7 (73) So much of the first full paragraph on page 1391
8 of volume 42 of the Statutes at Large, in the Act of March
9 2, 1923 (U. S. C., title 31, sec. 656), as reads: "and
10 the Budget estimates for each of such appropriations shall
11 hereafter carry separately the amounts required for such
12 transportation costs".

13 (74) The proviso in the seventh full paragraph on page
14 520 of volume 32 of the Statutes at Large, in the Act of
15 June 30, 1902 (U. S. C., title 31, sec. 657).

16 (75) The proviso in lines 2 through 8 on page 710
17 of volume 36 of the Statutes at Large, in the Act of June 25,
18 1910 (U. S. C., title 31, sec. 664).

19 (76) Section 3682 of the Revised Statutes (U. S. C.,
20 title 31, sec. 674).

21 (77) Section 3683 of the Revised Statutes (U. S. C.,
22 title 31, sec. 675).

23 (78) The second full paragraph on page 1303 of volume
24 41 of the Statutes at Large, in the Act of March 3, 1921
25 (U. S. C., title 31, sec. 676).

1 (79) The proviso in lines 7 through 17 on page 203
 2 of volume 20 of the Statutes at Large, in the Act of June
 3 19, 1878 (U. S. C., title 31, sec. 677).

4 (80) Section 3684 of the Revised Statutes (U. S. C.,
 5 title 31, sec. 681).

6 (81) Section 6 of the Act of May 30, 1908 (U. S. C.,
 7 title 31, sec. 683).

8 (82) So much of the paragraph under the heading
 9 "Pay of Assistant Custodians and Janitors" on pages 1153
 10 and 1154 of volume 31 of the Statutes at Large, in the Act
 11 of March 3, 1901 (U. S. C., title 31, sec. 684), as reads:
 12 " , and hereafter no other fund appropriated shall be used
 13 for this service".

14 (83) The second paragraph under the heading "United
 15 States Commerce Court" of the Act of March 4, 1911 (36
 16 Stat. 1234; U. S. C., title 31, sec. 687).

17 (84) Section 26 of the Act of June 30, 1913 (38 Stat.
 18 103; U. S. C., title 31, sec. 688).

19 (85) Section 400 of the Second Deficiency Appropria-
 20 tion Act, 1947 (U. S. C., title 31, sec. 694).

21 (b) The omission of any provision of law from the pro-
 22 visions of law repealed under subsection (a) of this section
 23 shall not be construed as limiting the application of section
 24 204 or 216 of the Budget and Accounting Act, 1921, as

1 amended, or the powers of the President thereunder, or as
2 evidencing an intent that such provision was not to be super-
3 seded by such sections.

A BILL

To authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify Government accounting and auditing methods and procedures, and for other purposes.

By Mr. HOFFMAN of Michigan

JUNE 15, 1949

Referred to the Committee on Expenditures in the
Executive Departments

81st CONGRESS
1st SESSION

H. R. 5823

IN THE HOUSE OF REPRESENTATIVES

AUGUST 1, 1949

MR. HOFFMAN of Michigan introduced the following bill; which was referred to the Committee on Expenditures in the Executive Departments

A BILL

To authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify Government accounting and auditing methods and procedures, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Budget and Accounting
4 Procedures Act, 1949".

5 PART I—THE BUDGET

6 PERFORMANCE BUDGET

7 SEC. 10. (a) So much of section 201 of the Budget and
8 Accounting Act, 1921, as amended, as precedes subsection
9 (a) thereof, is amended to read as follows:

1 “SEC. 201. The President shall, during the first three
2 months of each regular session of Congress, transmit to Con-
3 gress the Budget. So far as practicable, the Budget shall be
4 in such form as the President may determine to be necessary
5 or appropriate so as to estimate, account for, and report the
6 cost of performance of readily identifiable functional pro-
7 grams and activities of the Government, with segregation of
8 operating and capital programs. There shall be included
9 therein—”.

10 (b) Section 205 of the Budget and Accounting Act,
11 1921, as amended, is amended to read as follows:

12 “SEC. 205. The President, in addition to the Budget,
13 may transmit to Congress with the Budget required by sec-
14 tion 201, any estimate in alternative form or an alternative
15 budget, which shall be prepared in such form and amounts
16 and according to such system of classification and itemiza-
17 tion as is, in his opinion, most appropriate, with such ex-
18 planatory notes and tables as may be necessary to show
19 where the various items embraced in the Budget are con-
20 tained in such alternative budget.”

21 (c) Section 214 of the Budget and Accounting Act,
22 1921, as amended, is amended to read as follows:

23 “SEC. 214. The head of each department and establish-
24 ment shall prepare or cause to be prepared in each year, at
25 such times as the President may prescribe, the estimates

1 for the department or establishment, and shall also prepare
2 or cause to be prepared, at such times as the President may
3 prescribe, such supplemental and deficiency estimates as may
4 be required for its work.”

5 (d) The first sentence of section 215 of the Budget and
6 Accounting Act, 1921, as amended, is amended to read as
7 follows: “The head of each department and establishment
8 shall submit the estimates for the department or establish-
9 ment to the Office of the Budget on or before such date as
10 the President may prescribe.”

11 (e) Section 216 of the Budget and Accounting Act,
12 1921, as amended, is amended to read as follows:

13 “SEC. 216. The departmental estimates and any sup-
14 plemental or deficiency estimates submitted to the Office of
15 the Budget by the head of any department or establishment
16 shall, notwithstanding any other provision of law (whether
17 such provision has heretofore required estimates or justifica-
18 tions to be submitted in a particular form or detail or by a
19 particular classification or classifications, or otherwise), be
20 prepared, presented, and justified, where practicable, and
21 authorized programs shall be administered, in such form
22 and manner as the head of the department or establishment,
23 subject to the authority and direction of the President, may
24 determine, so as to estimate, account for, and report, the cost
25 of performance of readily identifiable functional programs

1 and activities, with segregation of operating and capital pro-
2 grams. So far as practicable, such estimates and authorized
3 programs shall be set forth in readily comparable form and
4 shall follow a uniform pattern.”

5 TRANSITORY PROVISIONS

6 SEC. 11. In order to expedite the conversion from pres-
7 ent budgeting and accounting methods to the cost-of-per-
8 formance basis contemplated in the amendments made by
9 this part, the head of each department and establishment,
10 with the approval of the President, is authorized and di-
11 rected, until the end of the second full fiscal year following
12 the date of the enactment of this Act, to make such transfers
13 and adjustments within his department or establishment be-
14 tween appropriations available for obligation by such de-
15 partment or establishment in such manner as he deems
16 necessary to cause the obligation and administration of funds
17 and the reports of expenditures to reflect the cost of per-
18 formance of readily identifiable functional programs and
19 activities of the department or establishment. Reports of
20 transfers and adjustments made pursuant to the authority of
21 this subsection shall be made currently to the President and
22 the Congress.

23 CHANGE OF NAME OF BUREAU OF THE BUDGET

24 SEC. 12. The Bureau of the Budget shall hereafter be

1 known as the Office of the Budget, and as such shall con-
2 tinue as an agency in the Executive Office of the President.

3 The Director and Assistant Director of the Bureau of the
4 Budget shall hereafter be known as the Director and As-
5 sistant Director, respectively, of the Office of the Budget.

6 ADDITIONAL FUNCTIONS OF DIRECTOR OF THE OFFICE OF
7 THE BUDGET IN RESPECT OF GOVERNMENT STATISTI-
8 CAL ACTIVITIES

9 SEC. 13. (a) In addition to the existing functions of
10 the Director of the Office of the Budget in respect of Gov-
11 ernment statistical services and in addition to the other
12 functions vested by law in the Director of the office of the
13 Budget, the Director, as and when directed by the President
14 and subject to supervision and control of the President, is
15 authorized and directed to develop programs (1) for the
16 improvement of the methods and procedures used in gather-
17 ing and assembling information to be used for statistical
18 purposes, and in compiling, publishing, and disseminating
19 statistics and statistical information by the various agencies
20 in the executive branch of the Government, and (2) for the
21 improvement of coordination and for the elimination of dupli-
22 cation, among the various executive agencies, in gathering,
23 assembling, compiling, publishing, and disseminating sta-
24 tistics and statistical information.

1 (b) The Director, as and when directed by the Presi-
2 dent and subject to the supervision and control of the
3 President, shall embody such programs in regulations or
4 directives directed to the various executive agencies, and
5 such regulations and directives shall be adhered to by such
6 agencies and the heads thereof.

7 ADDITIONAL FUNCTIONS OF DIRECTOR OF OFFICE OF THE
8 BUDGET IN RESPECT OF FIELD SERVICES OF THE VARI-
9 OUS EXECUTIVE AGENCIES

10 SEC. 14. (a) In addition to the other functions vested
11 by law in the Director of the Office of the Budget, the
12 Director, as and when directed by the President and subject
13 to the supervision and control of the President, is authorized
14 and directed to develop programs for the improvement of
15 coordination between, and improvement in the effectiveness
16 of, the field offices of the various executive agencies. In
17 developing such programs the Director shall consider—

18 (1) the need for administrative regions on a com-
19 parable geographic basis to govern the various field
20 offices;

21 (2) the need for greater utilization of pooled cen-
22 tralized administrative services, such as personnel, ac-

1 counting, supply, motor transport, space, and other
2 similar services;

3 (3) the need for establishing standards for re-
4 porting by the various field offices as to their work;

5 (4) the need for standardizing field relationships
6 with State and local officials;

7 (5) the need for simplifying field service manuals.

8 (b) The Director, as and when directed by the Presi-
9 dent and subject to the supervision and control of the Presi-
10 dent, shall embody such programs in regulations or directives
11 directed to the various executive agencies, and such regula-
12 tions and directives shall be adhered to by such agencies
13 and the heads thereof.

14 FUNCTIONS OF DIRECTOR OF THE OFFICE OF THE BUDGET IN
15 RESPECT OF PERSONNEL CEILINGS TRANSFERRED TO
16 PRESIDENT

17 SEC. 15. The functions heretofore vested in the Director
18 of the Office of the Budget under the Federal Employees
19 Pay Act of 1945, as amended, are hereby transferred to
20 the President. Such functions may be exercised by the
21 President or, under and in accordance with such regula-
22 tions or orders as the President may prescribe, by such

1 officer or officers of the Government as the President may
2 direct.

3 PART II—ACCOUNTING

4 ACCOUNTANT GENERAL IN THE DEPARTMENT OF THE
5 TREASURY

6 SEC. 20. The Secretary of the Treasury is authorized
7 to create in the Department of the Treasury a service to
8 be known as the Accounting Service with an Accountant
9 General at its head, who shall be appointed by the Secre-
10 tary of the Treasury and shall receive compensation at a
11 rate fixed in accordance with the laws and regulations
12 applicable to the compensation of officers and employees in
13 the executive branch of the Government. The Secretary
14 of the Treasury may provide for the performance by the
15 Accountant General and the Accounting Service, of the
16 functions vested in the Secretary of the Treasury by this
17 Act.

18 REGULATIONS GOVERNING ACCOUNTING BY EXECUTIVE
19 AGENCIES

20 SEC. 21. Subject to the authority of the Comptroller
21 General of the United States under section 309 of the Budget
22 and Accounting Act, 1921, as amended, the Secretary of
23 the Treasury is authorized by regulation to prescribe the
24 general accounting methods, practices, and procedures (in-
25 cluding property and cost accounts and expenditure con-

trols) to be followed by all agencies in the executive branch of the Government, and is also authorized to supervise operations under such methods, practices, and procedures in all of such agencies. The regulations of the Secretary shall include provisions for frequent reports to him from the various executive agencies as to the status of their accounts. The Secretary shall from time to time combine such reports into summary accounts of the executive branch of the Government and prepare financial reports covering all the accounting operations of the Government for the information of the President, Congress, and the public.

INTERPRETATIVE REGULATIONS AND OPINIONS AS TO
AVAILABILITY OF APPROPRIATIONS

SEC. 22. (a) The Secretary of the Treasury is authorized, in consultation with the Comptroller General of the United States, to issue from time to time, for the guidance of disbursing and certifying officers, regulations and opinions as to the application, scope, and availability of appropriations made by Congress.

(b) Section 309 of the Budget and Accounting Act, 1921, as amended, is amended to read as follows:

"SEC. 309. The Comptroller General shall, subject to section 23 of the Budget and Accounting Procedures Act, 1949, prescribe the forms, systems, and procedures for the

1 administrative examination of fiscal officers' accounts and
2 claims against the United States, and for the audit and
3 settlement of such accounts. He shall also examine regu-
4 lations proposed to be issued by the Secretary of the Treas-
5 ury under section 21 of the Budget and Accounting Pro-
6 cedures Act, 1949, and shall have power to approve, or
7 withhold his approval of, the issuance of such regulations
8 insofar as they prescribe forms, systems, or procedures for
9 administrative appropriation and fund accounting. If and
10 to the extent that such proposed regulations in this respect
11 are not approved by the Comptroller General, they shall
12 not become effective."

13 ADMINISTRATIVE EXAMINATION OF ACCOUNTS; AUDIT AND

14 SETTLEMENT OF ACCOUNTS BY COMPTROLLER GENERAL

15 SEC. 23. (a) Notwithstanding any other provision of
16 law, the head of each agency is authorized to conduct his
17 administrative examination, and the Comptroller General of
18 the United States is authorized and directed so far as prac-
19 ticable to conduct his examination and audit, of the admin-
20 istrative accounts of the various executive agencies and
21 officers thereof at the places in such agencies where such
22 accounts, and the vouchers and supporting documents in con-
23 nection therewith, are regularly kept, and such accounts,
24 vouchers, and documents shall not be required to be trans-
25 mitted to the General Accounting Office in Washington,

1 District of Columbia, or, except upon the direction of the
2 head of the agency concerned, be required to be transmitted
3 to such head.

4 (b) Notwithstanding any other provision of law, the
5 Comptroller General of the United States is authorized to
6 audit and settle accounts on the basis merely of spot checks,
7 sampling, and other checking processes and to settle accounts
8 and certify balances of accounts pursuant to audits made on
9 such basis.

10 MANAGEMENT PROCEDURES IN RESPECT OF PUBLIC

11 MONEYS

12 SEC. 24. (a) The Secretary of the Treasury and the
13 Comptroller General of the United States shall jointly pre-
14 pare, and with the approval of the President issue, regu-
15 lations prescribing procedures (accounting, control, and
16 otherwise) governing the drawing of moneys from the
17 Treasury and the making of disbursements of public funds
18 of the United States, prescribing procedures governing the
19 receiving and holding of moneys in behalf of the United
20 States and the covering of moneys into the Treasury, and
21 prescribing the liabilities, in respect of the foregoing, of
22 officers made accountable under such regulations.

23 (b) Regulations issued pursuant to this section shall
24 be binding on, and be adhered to by, all officers and agencies
25 of the United States, and shall, to the extent prescribed

1 therein, supersede existing laws, regulations, orders, and
2 directives in respect of the matters described in sub-
3 section (a).

4 PART III—ADJUSTMENTS BETWEEN APPROPRIATIONS;
5 AUTHORIZATIONS OF APPROPRIATIONS; ALLOCATIONS
6 OF APPROPRIATIONS

7 TRANSFERS AND ADJUSTMENTS BETWEEN APPROPRIATIONS

8 SEC. 30. On and after the end of the second full fiscal
9 year following the date of the enactment of this Act, the
10 head of each department and establishment, with the ap-
11 proval of the President, is authorized to make transfers
12 and adjustments between appropriations within his depart-
13 ment or establishment in order to provide maximum economy
14 and efficiency in the operation of programs for which appro-
15 priations may be made from time to time, but no appro-
16 priation shall be increased or decreased thereby by more
17 than 5 per centum. Reports of transfers and adjustments
18 made pursuant to the authority of this subsection shall be
19 made currently to the President and the Congress.

20 AUTHORIZATIONS FOR APPROPRIATIONS

21 SEC. 31. In order to provide the most effective control
22 by the President and the Congress over the moneys in
23 the Treasury not appropriated to specific purposes, and to
24 achieve economy and efficiency in matters arising out of the
25 availability and expenditure of money which may, from

1 time to time, be appropriated to a department or establish-
2 ment, no requests for legislation, which, if enacted, would
3 authorize any appropriations to be made to any department
4 or establishment in the executive branch of the Government,
5 shall be transmitted to the Office of the Budget, the Presi-
6 dent, or the Congress by such department or establishment,
7 or by any organizational unit thereof, without the prior
8 approval of the head of such department or establishment.

9 ALLOCATION OF APPROPRIATIONS

10 SEC. 32. In order to protect the public interest, secure
11 maximum economy in the operation of governmental pro-
12 grams, and prevent overdrafts and deficiencies in any fiscal
13 year for which appropriations are made, the President is
14 authorized to reduce expenditures under appropriations in
15 the executive branch of the Government, if and to the extent
16 he determines that the purposes intended by the Congress
17 will be accomplished by the expenditure of amounts less
18 than the amounts appropriated, and in any case, on and
19 after the beginning of the next fiscal year following the date
20 of the enactment of this Act, appropriations made to any
21 department or establishment, and expendable reimbursements
22 thereto, shall be available for obligation and expenditure
23 only after allocations, or modifications thereof, approved
24 by the President. Nothing in this section shall affect the right
25 of the National Military Establishment to incur such defi-

1 ciencies as may be now or hereafter authorized by law to be
2 incurred.

3 ADJUSTMENT OF ACCOUNTS ON REORGANIZATION

4 SEC. 33. (a) When under authority of law a function
5 or an activity is transferred or assigned from one agency
6 within any department or establishment to another agency
7 in the same department or establishment, the balance of
8 appropriations which are determined by the head of such
9 department or establishment to be available and necessary
10 to finance or discharge the function or activity so transferred
11 or assigned, may, with the approval of the President, be
12 transferred to, and be available for use by, the agency to
13 which said function or activity is transferred or assigned for
14 any purpose for which said funds were originally available.
15 Balances so transferred shall be credited to any applicable
16 existing appropriation account or accounts, or to any new
17 appropriation account or accounts, which are hereby author-
18 ized to be established on the books of the Department of the
19 Treasury, of the agency to which such function or activity
20 is transferred, and shall be merged with funds in the ap-
21 plicable existing or newly established appropriation account
22 or accounts and thereafter accounted for as one fund. Bal-
23 ances transferred to existing accounts shall be subject only
24 to such limitations as are specifically applicable to such ac-
25 counts and those transferred to new accounts shall be subject

1 only to such limitations as are applicable to the appropriations
2 from which they are transferred.

3 (b) When under authority of law a function or activity
4 is transferred or assigned from one department or establish-
5 ment to another department or establishment, the balance of
6 appropriations which are determined by the President to be
7 available and necessary to finance or discharge the function
8 or activity so transferred or assigned shall be transferred to
9 and be available for use by the department or establishment
10 to which said function or activity is transferred or assigned
11 for any purpose for which said funds were originally avail-
12 able. Balances so transferred shall be credited to any appli-
13 cable existing appropriation account or accounts, or to any
14 new appropriation account or accounts, which are hereby
15 authorized to be established on the books of the Department
16 of the Treasury, of the department or establishment to which
17 such function or activity is transferred, and shall be merged
18 with funds in the applicable existing or newly established
19 appropriation account or accounts and thereafter accounted
20 for as one fund. Balances transferred to existing accounts
21 shall be subject only to such limitations as are specifically
22 applicable to such accounts and those transferred to new
23 accounts shall be subject only to such limitations as are
24 applicable to the appropriations from which they are
25 transferred.

1 (c) The number of employees which in the opinion of
 2 the head of the department or establishment concerned (or
 3 in the opinion of the President in the case of functions or
 4 activities transferred from one department or establishment
 5 to another department or establishment) is required for any
 6 such transferred functions or activities may, with the approval
 7 of the President, be deducted from any personnel maximum
 8 or limitation of the agency from which such function or
 9 activity is transferred, and added to any such personnel
 10 maximum or limitation of the agency to which such function
 11 or activity is transferred.

12 PART IV—SPECIFIC REPEALS

13 REPEALS

14 SEC. 40. (a) The following Acts and parts of Acts are
 15 hereby repealed:

16 (1) Section 10 of the Act of August 1, 1914 (38
 17 Stat. 680; U. S. C., title 31, sec. 582).

18 (2) So much of section 4 of the Act of June 20, 1874
 19 (18 Stat. 109; U. S. C., title 31, sec. 583 (1)), as reads:
 20 “; and hereafter the Secretary of the Treasury shall annually
 21 submit to Congress detailed estimates of appropriations re-
 22 quired for said expenses;”.

23 (3) The last proviso in the first paragraph under the
 24 heading “Judgments; United States Courts” of the Act of

1 April 27, 1904 (33 Stat. 422; U. S. C., title 31, sec.
2 583 (2)).

3 (4) The last sentence of section 5 of the Act of August
4 5, 1882 (22 Stat. 256; U. S. C., title 31, sec. 583 (3)).

5 (5) So much of the matter appearing under the heading
6 "Mints and Assay Offices" of the Act of March 4, 1911 (36
7 Stat. 1292; U. S. C., title 31, sec. 583 (4)), as reads:
8 " , and the Secretary of the Treasury shall, for the fiscal year
9 nineteen hundred and thirteen, and annually thereafter, sub-
10 mit to Congress, in the regular book of estimates, detailed
11 estimates for the expenses of this Service".

12 (6) So much of the matter appearing under the heading
13 "Treasury Department" in the Act of August 26, 1912 (37
14 Stat. 596; U. S. C., title 31, sec. 583 (5)), as reads:
15 "*Provided further*, That estimates hereunder shall be sub-
16 mitted in detail for the fiscal year 1914, and annually
17 thereafter".

18 (7) The last sentence of the paragraph under the head-
19 ing "Federal Farm Loan Board" of the Act of September
20 8, 1916 (U. S. C., title 31, sec. 583 (7)), appearing on
21 page 803 of volume 39 of the Statutes at Large; and the
22 third and last paragraph under the heading "Federal Farm
23 Loan Bureau" of the Act of March 3, 1917 (U. S. C., title

1 31, sec. 583 (7)), appearing on page 1084 of volume 39
2 of the Statutes at Large.

3 (8) The last sentence on page 48 of volume 30 of the
4 Statutes at Large, in the Act of June 4, 1897 (U. S. C.,
5 title 31, sec. 583 (8)).

6 (9) The first sentence of section 6 of the Act of March
7 3, 1919 (40 Stat. 1309; U. S. C., title 31, sec. 583 (10)).

8 (10) The last proviso under the heading "Office of the
9 Chief Signal Officer" of the Act of March 2, 1907 (34 Stat.
10 1159; U. S. C., title 31, sec. 583 (11)).

11 (11) The sixth full paragraph appearing on page 648
12 of volume 29 of the Statutes at Large in the Act of March 3,
13 1897 (U. S. C., title 31, sec. 583 (13)).

14 (12) So much of the matter following the heading
15 "Bureau of Mines" in the Act of March 3, 1915 (38 Stat.
16 858; U. S. C., title 31, sec. 583 (14)), as reads: ", estimates
17 shall be submitted specifically for all personal services re-
18 quired permanently and entirely in the Bureau of Mines at
19 Washington, District of Columbia, and previously paid from
20 lump-sum or general appropriations;".

21 (13) The proviso at the end of the fourth paragraph
22 on page 312 of volume 37 of the Statutes at Large, in the
23 Act of August 17, 1912 (U. S. C., title 31, sec. 583 (15)).

24 (14) The third paragraph appearing on page 1082 of

1 volume 32 of the Statutes at Large, in the Act of March 3,
2 1903 (U. S. C., title 31, sec. 583 (16)).

3 (15) So much of section 12 of the Act of June 26,
4 1906 (34 Stat. 480; U. S. C., title 31, sec. 583 (18)),
5 as reads: "and he shall annually submit to Congress esti-
6 mates to cover the cost of the establishment and maintenance
7 of fish hatcheries in Alaska, the salaries and actual traveling
8 expenses of such officials, and for such other expenditures as
9 may be necessary to carry out the provisions of this Act".

10 (16) The proviso at the end of the first full paragraph
11 on page 456 of volume 32 of the Statutes at Large, in the
12 Act of June 28, 1902 (U. S. C., title 31, sec. 583 (20)).

13 (17) The second full paragraph on page 841 of volume
14 38 of the Statutes at Large, in the Act of March 3, 1915
15 (U. S. C., title 31, sec. 583 (21)).

16 (18) The fourth full paragraph on page 2 of volume 38
17 of the Statutes at Large, in the Act of May 1, 1913
18 (U. S. C., title 31, sec. 583 (22)).

19 (19) The proviso at the end of the second paragraph
20 under the heading "Bureau of Immigration and Naturaliza-
21 tion" of the Act of March 4, 1907 (34 Stat. 1329, 1330;
22 U. S. C., title 31, sec. 583 (23)).

23 (20) The second full paragraph on page 374 of volume

1 35 of the Statutes at Large, in the Act of May 27, 1908
2 (U. S. C., title 31, sec. 583 (25)).

3 (21) So much of the last paragraph on page 396 of
4 volume 37 of the Statutes at Large, in the Act of August
5 23, 1912 (U. S. C., title 31, sec. 583 (26)), as reads:
6 "For the fiscal year nineteen hundred and fourteen and
7 annually thereafter estimates in detail shall be submitted for
8 all personal services required in the Indian Office,".

9 (22) The proviso at the end of the first full paragraph
10 on page 646 of volume 41 of the Statutes at Large, in the
11 Act of May 29, 1920 (U. S. C., title 31, sec. 584).

12 (23) Section 3660 of the Revised Statutes (U. S. C.,
13 title 31, sec. 585).

14 (24) Section 4 of the Act of June 22, 1906 (34 Stat.
15 448; U. S. C., title 31, sec. 586).

16 (25) Section 4 of the Act of March 4, 1909 (35 Stat.
17 907; U. S. C., title 31, sec. 587).

18 (26) Section 2 of the Act of June 30, 1906 (34 Stat.
19 762; U. S. C., title 31, sec. 588); and the proviso in the
20 first paragraph on page 1367 of volume 34 of the Statutes
21 at Large, in the Act of March 4, 1907 (U. S. C., title 31,
22 sec. 588).

23 (27) Section 3661, as amended, of the Revised Statutes
24 (U. S. C., title 31, sec. 589).

25 (28) So much of the first paragraph on page 255 of

1 volume 24 of the Statutes at Large, in the Act of August
 2 4, 1886 (U. S. C., title 31, sec. 590), as reads: “: *Pro-*
 3 *vided further*, That all printing and engraving for the Geo-
 4 logical Survey, the Coast and Geodetic Survey, the Hydro-
 5 graphic Office of the Navy Department, and the Signal
 6 Service shall hereafter be estimated for separately and in
 7 detail, and appropriated for separately for each of said
 8 bureaus”.

9 (29) Section 3662 of the Revised Statutes (U. S. C.,
 10 title 31, sec. 591).

11 (30) Section 3663 of the Revised Statutes, as amended
 12 (U. S. C., title 31, sec. 594).

13 (31) Section 3664 of the Revised Statutes (U. S. C.,
 14 title 31, sec. 597).

15 (32) Section 3665 of the Revised Statutes (U. S. C.,
 16 title 31, sec. 598).

17 (33) The second paragraph under the heading “Rev-
 18 enue-Cutter Service” in the Act of March 2, 1889 (25
 19 Stat. 907; U. S. C., title 31, sec. 600).

20 (34) So much of the second full paragraph on page
 21 512 of volume 24 of the Statutes at Large, in the Act of
 22 March 3, 1887 (U. S. C., title 31, sec. 601), as reads
 23 “That the Secretary of the Treasury shall for the fiscal year
 24 eighteen hundred and eighty-seven, and for each fiscal year

1 thereafter in the annual estimates, report to Congress the
2 number of persons employed outside of the District of Co-
3 lumbia, as superintendents, clerks, watchmen and otherwise,
4 and paid from appropriations for the construction of public
5 buildings showing where said persons are employed, in what
6 capacity, the length of time and at what rate of compensa-
7 tion.”.

8 (35) So much of the sixth full paragraph on page 374
9 of volume 26 of the Statutes at Large, in the Act of August
10 30, 1890 (U. S. C., title 31, sec. 601) as reads: “; and
11 hereafter the Secretary of the Treasury shall annually re-
12 port to Congress in the book of estimates a statement of
13 the expenditures of the appropriation for ‘repairs and preser-
14 vation of public buildings’ which shall show the amount
15 expended on each public building and the number of per-
16 sons employed and paid salaries from such appropriation”.

17 (36) So much of section 1317 of the Revenue Act of
18 1921 (42 Stat. 314; U. S. C., title 31, sec. 602) as reads:
19 “; and the Secretary of the Treasury shall submit for the
20 fiscal year 1921, and annually thereafter, an estimate of
21 appropriations to refund and pay back duties or taxes
22 erroneously or illegally assessed or collected under the In-
23 ternal Revenue laws, and to pay judgments, including in-
24 terest and costs, rendered for taxes or penalties erroneously

1 or illegally assessed or collected under the Internal Revenue
2 laws”.

3 (37) the first paragraph on page 133 of volume
4 22 of the Statutes at Large, in the Act of July 1, 1882
5 (U. S. C., title 31, sec. 603) .

6 (38) The eighth paragraph under the heading “For-
7 eign Intercourse” of the Act of May 3, 1905 (33 Stat.
8 1214; U. S. C., title 31, sec. 603) .

9 (39) The last paragraph on page 48 of volume 30
10 of the Statutes at Large, in the Act of June 4, 1897
11 (U. S. C., title 31, sec. 604) .

12 (40) The eighth paragraph under the heading “Under
13 the Engineer Department” of the Act of February 13, 1913
14 (37 Stat. 671; U. S. C., title 31, sec. 605) .

15 (41) The sixth paragraph under the heading “Fortifi-
16 cations in Insular Possessions” of the Act of March 3, 1905
17 (33 Stat. 847; U. S. C., title 31, sec. 606) .

18 (42) So much of the first section of the Act of August
19 4, 1886 (24 Stat. 246; U. S. C., title 31, sec. 607), as
20 reads: “the estimates for the Army and Navy hospital
21 service shall be submitted as a part of the military
22 establishment”.

23 (43) The first full paragraph on page 117 of volume

1 31 of the Statutes at Large, in the Act of April 17, 1900
2 (U. S. C., title 31, sec. 609).

3 (44) Section 3668 of the Revised Statutes (U. S. C.,
4 title 31, sec. 610).

5 (45) So much of the first paragraph on page 357 of
6 volume 20 of the Statutes at Large, in the Act of March
7 3, 1879 (U. S. C., title 31, sec. 611), as reads: “: *Pro-*
8 *vided*, That hereafter, in making his estimates for railway
9 mail service, the Postmaster General shall separate the esti-
10 mate for postal-car service from the general estimates; and
11 in case any increase or diminution of service by postal cars
12 shall be made by him, the reasons therefor shall be given
13 in his annual report next succeeding such increase or
14 diminution”.

15 (46) So much of the first paragraph under the heading
16 “United States Geological Survey” in the Act of March 3,
17 1887 (24 Stat. 527; U. S. C., title 31, sec. 612), as reads:
18 “; and hereafter the estimates for the Geological Survey
19 shall be itemized”.

20 (47) The first paragraph on page 455 of volume 32 of
21 the Statutes at Large, in the Act of June 28, 1902 (U. S. C.,
22 title 31, sec. 612).

23 (48) Section 4 of the Act of August 15, 1876 (19
24 Stat. 200; U. S. C., title 31, sec. 613).

25 (49) The fourth paragraph of section 26 of the Act

1 of June 30, 1913 (38 Stat. 103; U. S. C., title 31, sec.
2 613).

3 (50) The eighth full paragraph on page 1421 of vol-
4 ume 36 of the Statutes at Large, in the Act of March 4,
5 1911 (U. S. C., title 31, sec. 614).

6 (51) The eighth full paragraph on page 1206 of vol-
7 ume 33 of the Statutes at Large, in the Act of March 3,
8 1905 (U. S. C., title 31, sec. 615).

9 (52) The fourth full paragraph under the heading
10 "Government in the Territories" of the Act of July 16,
11 1914 (38 Stat. 479; U. S. C., title 31, sec. 616).

12 (53) The first full paragraph on page 492 of volume
13 39 of the Statutes at Large, in the Act of August 11, 1916
14 (U. S. C., title 31, sec. 617).

15 (54) The proviso in the first paragraph under the
16 heading "Rent in the District of Columbia" of the Act of
17 March 4, 1915 (38 Stat. 1108; U. S. C., title 31, sec.
18 617).

19 (55) Paragraph (89) of section 1 of the Act of May
20 29, 1928 (45 Stat. 992; U. S. C., title 31, sec. 617).

21 (56) The seventh paragraph on page 433 of volume
22 32 of the Statutes at Large, in the Act of June 28, 1902
23 (U. S. C., title 31, sec. 618).

24 (57) The ninth full paragraph on page 755 of volume

1 36 of the Statutes at Large, in the Act of June 25, 1910
2 (U. S. C., title 31, sec. 618).

3 (58) The fourth full paragraph on page 362 of volume
4 27 of the Statutes at Large, in the Act of August 5, 1892
5 (U. S. C., title 31, sec. 619).

6 (59) The first full paragraph on page 764 of volume
7 36 of the Statutes at Large, in the Act of June 25, 1910
8 (U. S. C., title 31, sec. 620).

9 (60) Section 6 of the Act of August 1, 1914 (38
10 Stat. 679; U. S. C., title 31, sec. 621).

11 (61) The last full sentence in the first paragraph on
12 page 254 of volume 23 of the Statutes at Large, in the Act
13 of July 7, 1884 (U. S. C., title 31, sec. 622).

14 (62) Section 5 of the Act of June 30, 1906 (34 Stat.
15 763; U. S. C., title 31, sec. 626).

16 (63) The proviso at the end of the first paragraph on
17 page 579 of volume 37 of the Statutes at Large, in the Act
18 of August 24, 1912 (U. S. C., title 31, sec. 626).

19 (64) Section 7, as amended, of the Act of August 26,
20 1912 (37 Stat. 626; 37 Stat. 790; U. S. C., title 31, sec.
21 629).

22 (65) The fourth full paragraph on page 854 of volume
23 37 of the Statutes at Large, in the Act of March 4, 1913
24 (U. S. C., title 31, sec. 630).

25 (66) The proviso at the end of the seventh paragraph

1 on page 1030 of volume 31 of the Statutes at Large, in the
2 Act of March 3, 1901 (U. S. C., title 31, sec. 633).

3 (67) The second paragraph under the heading "Con-
4 tingent, Bureau of Ordnance" of the Act of July 12, 1921
5 (42 Stat. 128; U. S. C., title 31, sec. 636), down through
6 the first proviso therein.

7 (68) So much of the third paragraph under the heading
8 "Contingent Expenses, Navy Department" of the Act of
9 June 22, 1906 (34 Stat. 427; U. S. C., title 31, sec. 637),
10 as reads: "and hereafter it shall not be lawful to expend, for
11 any of the offices or bureaus of the Navy Department at
12 Washington, any sum out of appropriations made for the
13 naval establishment for any of the purposes mentioned or
14 authorized in the said foregoing paragraph".

15 (69) So much of the paragraph under the heading "In-
16 crease of the Navy, Equipment" of the Act of March 3, 1915
17 (38 Stat. 952; U. S. C., title 31, sec. 648), as reads: "and
18 beginning with July first, nineteen hundred and fifteen,
19 equipment outfits shall be charged to appropriation 'Increase
20 of the Navy, Construction and Machinery'".

21 (70) The two provisos in the paragraph under the
22 heading "Fuel and Transportation" of the Act of March 3,
23 1915 (38 Stat. 944; U. S. C., title 31, sec. 649).

24 (71) The proviso in the tenth paragraph on page 236

1 of volume 28 of the Statutes at Large, in the Act of August
2 6, 1894 (U. S. C., title 31, sec. 650).

3 (72) The fourth full paragraph on page 1175 of volume
4 34 of the Statutes at Large, in the Act of March 2, 1907
5 (U. S. C., title 31, sec. 655).

6 (73) So much of the first full paragraph on page 1391
7 of volume 42 of the Statutes at Large, in the Act of March
8 2, 1923 (U. S. C., title 31, sec. 656), as reads: "and
9 the Budget estimates for each of such appropriations shall
10 hereafter carry separately the amounts required for such
11 transportation costs".

12 (74) The proviso in the seventh full paragraph on page
13 520 of volume 32 of the Statutes at Large, in the Act of
14 June 30, 1902 (U. S. C., title 31, sec. 657).

15 (75) The proviso in lines 2 through 8 on page 710
16 of volume 36 of the Statutes at Large, in the Act of June 25,
17 1910 (U. S. C., title 31, sec. 664).

18 (76) Section 3682 of the Revised Statutes (U. S. C.,
19 title 31, sec. 674).

20 (77) Section 3683 of the Revised Statutes (U. S. C.,
21 title 31, sec. 675).

22 (78) The second full paragraph on page 1303 of volume
23 41 of the Statutes at Large, in the Act of March 3, 1921
24 (U. S. C., title 31, sec. 676).

25 (79) The proviso in lines 7 through 17 on page 203

1 of volume 20 of the Statutes at Large, in the Act of June
2 19, 1878 (U. S. C., title 31, sec. 677).

3 (80) Section 3684 of the Revised Statutes (U. S. C.,
4 title 31, sec. 681).

5 (81) Section 6 of the Act of May 30, 1908 (U. S. C.,
6 title 31, sec. 683).

7 (82) So much of the paragraph under the heading
8 "Pay of Assistant Custodians and Janitors" on pages 1153
9 and 1154 of volume 31 of the Statutes at Large, in the Act
10 of March 3, 1901 (U. S. C., title 31, sec. 684), as reads:
11 " , and hereafter no other fund appropriated shall be used
12 for this service".

13 (83) The second paragraph under the heading "United
14 States Commerce Court" of the Act of March 4, 1911 (36
15 Stat. 1234; U. S. C., title 31, sec. 687).

16 (84) Section 26 of the Act of June 30, 1913 (38 Stat.
17 103; U. S. C., title 31, sec. 688).

18 (85) Section 400 of the Second Deficiency Appropria-
19 tion Act, 1947 (U. S. C., title 31, sec. 694).

20 (86) Section 204 of the Budget and Accounting Act,
21 1921, as amended (U. S. C., title 31, sec. 581).

22 (b) The omission of any provision of law from the pro-
23 visions of law repealed under subsection (a) of this section
24 shall not be construed as limiting the application of section
25 201 or 216 of the Budget and Accounting Act, 1921, as

1 amended, or the powers of the President thereunder, or as
2 evidencing an intent that such provision was not to be super-
3 seded by such sections.

A BILL

To authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify Government accounting and auditing methods and procedures, and for other purposes.

By Mr. HOFEMAN of Michigan

AUGUST 1, 1949

Referred to the Committee on Expenditures in the Executive Departments

S. 2054

IN THE SENATE OF THE UNITED STATES

AUGUST 1 (legislative day, JUNE 2), 1949

Referred to the Committee on Expenditures in the Executive Departments and
ordered to be printed

AMENDMENTS

Intended to be proposed by Mr. McCARTHY to the bill (S. 2054) to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify Government accounting and auditing methods and procedures, and for other purposes, viz:

1 On page 1, line 5, strike out down through line 15 on
2 page 6, and insert in lieu thereof the following:

3 “PART I—THE BUDGET

4 “PERFORMANCE BUDGET

5 “SEC. 10. (a) So much of section 201 of the Budget
6 and Accounting Act, 1921, as amended, as precedes subsec-
7 tion (a) thereof, is amended to read as follows:

8 “SEC. 201. The President shall, during the first three

1 months of each regular session of Congress, transmit to Con-
2 gress the Budget. So far as practicable, the Budget shall be
3 in such form as the President may determine to be necessary
4 or appropriate so as to estimate, account for, and report the
5 cost of performance of readily identifiable functional pro-
6 grams and activities of the Government, with segregation of
7 operating and capital programs. There shall be included
8 therein—’.

9 “(b) Section 205 of the Budget and Accounting Act,
10 1921, as amended, is amended to read as follows:

11 “SEC. 205. The President, in addition to the budget,
12 may transmit to Congress with the budget required by sec-
13 tion 201, any estimate in alternative form or an alternative
14 budget, which shall be prepared in such form and amounts
15 and according to such system of classification and itemization
16 as is, in his opinion, most appropriate, with such explana-
17 tory notes and tables as may be necessary to show where
18 the various items embraced in the budget are contained in
19 such alternative budget.’

20 “(c) Section 214 of the Budget and Accounting Act,
21 1921, as amended, is amended to read as follows:

22 “SEC. 214. The head of each department and establish-
23 ment shall prepare or cause to be prepared in each year, at
24 such times as the President may prescribe, the estimates for
25 the department or establishment, and shall also prepare or

1 cause to be prepared, at such times as the President may
2 prescribe, such supplemental and deficiency estimates as may
3 be required for its work.'

4 " (d) The first sentence of section 215 of the Budget and
5 Accounting Act, 1921, as amended, is amended to read as
6 follows: 'The head of each department and establishment
7 shall submit the estimates for the department or establish-
8 ment to the Office of the Budget on or before such date as
9 the President may prescribe.'

10 " (e) Section 216 of the Budget and Accounting Act,
11 1921, as amended, is amended to read as follows:

12 "SEC. 216. The departmental estimates and any sup-
13 plemental or deficiency estimates submitted to the Office
14 of the Budget by the head of any department or establish-
15 ment shall, notwithstanding any other provision of law
16 (whether such provision has heretofore required estimates
17 or justifications to be submitted in a particular form or detail
18 or by a particular classification or classifications, or other-
19 wise), be prepared, presented, and justified, where prac-
20 ticable, and authorized programs shall be administered, in
21 such form and manner as the head of the department or
22 establishment, subject to the authority and direction of the
23 President, may determine, so as to estimate, account for,
24 and report, the cost of performance of readily identifiable
25 functional programs and activities, with segregation of op-

1 erating and capital programs. So far as practicable, such
2 estimates and authorized programs shall be set forth in
3 readily comparable form and shall follow a uniform pattern.”

4 “TRANSITORY PROVISIONS

5 “SEC. 11. In order to expedite the conversion from
6 present budgeting and accounting methods to the cost-of-
7 performance basis contemplated in the amendments made by
8 this part, the head of each department and establishment,
9 with the approval of the President, is authorized and directed,
10 until the end of the second full fiscal year following the date
11 of the enactment of this Act, to make such transfers and
12 adjustments within his department or establishment between
13 appropriations available for obligation by such department
14 or establishment in such manner as he deems necessary to
15 cause the obligation and administration of funds and the
16 reports of expenditures to reflect the cost of performance of
17 readily identifiable functional programs and activities of the
18 department or establishment. Reports of transfers and ad-
19 justments made pursuant to the authority of this subsection
20 shall be made currently to the President and the Congress.

21 “CHANGE OF NAME OF BUREAU OF THE BUDGET

22 “SEC. 12. The Bureau of the Budget shall hereafter be
23 known as the Office of the Budget, and as such shall continue
24 as an agency in the Executive Office of the President. The
25 Director and Assistant Director of the Bureau of the Budget

1 shall hereafter be known as the Director and Assistant
2 Director, respectively, of the Office of the Budget.

3 "ADDITIONAL FUNCTIONS OF DIRECTOR OF THE OFFICE OF
4 THE BUDGET IN RESPECT OF GOVERNMENT STATISTICAL
5 ACTIVITIES

6 "SEC. 13. (a) In addition to the existing functions of
7 the Director of the Office of the Budget in respect of Gov-
8 ernment statistical services and in addition to the other
9 functions vested by law in the Director of the Office of the
10 Budget, the Director, as and when directed by the President
11 and subject to supervision and control of the President, is
12 authorized and directed to develop programs (1) for the
13 improvement of the methods and procedures used in gather-
14 ing and assembling information to be used for statistical
15 purposes, and in compiling, publishing, and disseminating
16 statistics and statistical information by the various agencies
17 in the executive branch of the Government, and (2) for the
18 improvement of coordination and for the elimination of
19 duplication, among the various executive agencies, in gather-
20 ing, assembling, compiling, publishing, and disseminating
21 statistics and statistical information.

22 "(b) The Director, as and when directed by the Presi-
23 dent and subject to the supervision and control of the
24 President, shall embody such programs in regulations or

1 directives directed to the various executive agencies, and
2 such regulations and directives shall be adhered to by such
3 agencies and the heads thereof.

4 “ADDITIONAL FUNCTIONS OF DIRECTOR OF OFFICE OF THE
5 BUDGET IN RESPECT OF FIELD SERVICES OF THE VARI-
6 OUS EXECUTIVE AGENCIES

7 “SEC. 14. (a) In addition to the other functions vested
8 by law in the Director of the Office of the Budget, the Di-
9 rector, as and when directed by the President and subject
10 to the supervision and control of the President, is authorized
11 and directed to develop programs for the improvement of
12 coordination between, and improvement in the effectiveness
13 of, the field offices of the various executive agencies. In
14 developing such programs the Director shall consider—

15 “(1) the need for administrative regions on a
16 comparable geographic basis to govern the various field
17 offices;

18 “(2) the need for greater utilization of pooled cen-
19 tralized administrative services, such as personnel, ac-
20 counting, supply, motor transport, space, and other
21 similar services;

22 “(3) the need for establishing standards for re-
23 porting by the various field offices as to their work;

24 “(4) the need for standardizing field relationships
25 with State and local officials;

1 “ (5) the need for simplifying field service manuals.

2 “ (b) The Director, as and when directed by the Pres-
3 ident and subject to the supervision and control of the Pres-
4 ident, shall embody such programs in regulations or direc-
5 tives directed to the various executive agencies, and such
6 regulations and directives shall be adhered to by such agencies
7 and the heads thereof.

8 “FUNCTIONS OF DIRECTOR OF THE OFFICE OF THE BUDGET
9 IN RESPECT OF PERSONNEL CEILINGS TRANSFERRED
10 TO PRESIDENT

11 “SEC. 15. The functions heretofore vested in the Director
12 of the Office of the Budget under the Federal Employees Pay
13 Act of 1945, as amended, are hereby transferred to the
14 President. Such functions may be exercised by the President
15 or, under and in accordance with such regulations or orders
16 as the President may prescribe, by such officer or officers of
17 the Government as the President may direct.”

18 On page 10, after line 19, insert the following:

19 “PART III—ADJUSTMENTS BETWEEN APPROPRIATIONS;
20 AUTHORIZATIONS OF APPROPRIATIONS; ALLOCATIONS
21 OF APPROPRIATIONS

22 “TRANSFERS AND ADJUSTMENTS BETWEEN
23 APPROPRIATIONS

24 “SEC. 30. On and after the end of the second full fiscal
25 year following the date of the enactment of this Act, the

1 head of each department and establishment, with the ap-
2 proval of the President, is authorized to make transfers and
3 adjustments between appropriations within his department or
4 establishment in order to provide maximum economy and
5 efficiency in the operation of programs for which appro-
6 priations may be made from time to time, but no appro-
7 priation shall be increased or decreased thereby by more
8 than 5 per centum. Reports of transfers and adjustments
9 made pursuant to the authority of this subsection shall be
10 made currently to the President and the Congress.

11 "AUTHORIZATIONS FOR APPROPRIATIONS

12 "SEC. 31. In order to provide the most effective control
13 by the President and the Congress over the moneys in the
14 Treasury not appropriated to specific purposes, and to
15 achieve economy and efficiency in matters arising out of
16 the availability and expenditure of money which may, from
17 time to time, be appropriated to a department or establish-
18 ment, no requests for legislation, which, if enacted, would
19 authorize any appropriations to be made to any department
20 or establishment in the executive branch of the Government,
21 shall be transmitted to the Office of the Budget, the Presi-
22 dent, or the Congress by such department or establishment,
23 or by any organizational unit thereof, without the prior
24 approval of the head of such department or establishment.

1 “Allocation of Appropriations

2 “SEC. 32. In order to protect the public interest, secure
3 maximum economy in the operation of governmental pro-
4 grams, and prevent overdrafts and deficiencies in any fiscal
5 year for which appropriations are made, the President is
6 authorized to reduce expenditures under appropriations in
7 the executive branch of the Government, if and to the
8 extent he determines that the purposes intended by the
9 Congress will be accomplished by the expenditure of
10 amounts less than the amounts appropriated, and in any
11 case, on and after the beginning of the next fiscal year
12 following the date of the enactment of this Act, appro-
13 priations made to any department or establishment, and
14 expendable reimbursements thereto, shall be available for
15 obligation and expenditure only after allocations, or modifica-
16 tions thereof, approved by the President. Nothing in this
17 section shall affect the right of the National Military Estab-
18 lishment to incur such deficiencies as may be now or here-
19 after authorized by law to be incurred.

20 “Adjustment of Accounts on Reorganization

21 “SEC. 33. (a) When under authority of law a func-
22 tion or an activity is transferred or assigned from one agency
23 within any department or establishment to another agency
24 in the same department or establishment, the balance of

1 appropriations which are determined by the head of such
2 department or establishment to be available and necessary
3 to finance or discharge the function or activity so trans-
4 ferred or assigned may, with the approval of the President,
5 be transferred to, and be available for use by, the agency to
6 which said function or activity is transferred or assigned for
7 any purpose for which said funds were originally available.
8 Balances so transferred shall be credited to any applicable
9 existing appropriation account or accounts, or to any new
10 appropriation account or accounts, which are hereby author-
11 ized to be established on the books of the Department of
12 the Treasury, of the agency to which such function or
13 activity is transferred, and shall be merged with funds in
14 the applicable existing or newly established appropriation
15 account or accounts and thereafter accounted for as one
16 fund. Balances transferred to existing accounts shall be
17 subject only to such limitations as are specifically applicable
18 to such accounts and those transferred to new accounts shall
19 be subject only to such limitations as are applicable to the
20 appropriations from which they are transferred.

21 “(b) When under authority of law a function or ac-
22 tivity is transferred or assigned from one department or
23 establishment to another department or establishment, the
24 balance of appropriations which are determined by the
25 President to be available and necessary to finance or dis-

1 charge the function or activity so transferred or assigned,
2 shall be transferred to and be available for use by the depart-
3 ment or establishment to which said function or activity is
4 transferred or assigned for any purpose for which said funds
5 were originally available. Balances so transferred shall be
6 credited to any applicable existing appropriation account or
7 accounts, or to any new appropriation account or accounts,
8 which are hereby authorized to be established on the books
9 of the Department of the Treasury, of the department or
10 establishment to which such function or activity is trans-
11 ferred, and shall be merged with funds in the applicable
12 existing or newly established appropriation account or ac-
13 counts and thereafter accounted for as one fund. Balances
14 transferred to existing accounts shall be subject only to such
15 limitations as are specifically applicable to such accounts
16 and those transferred to new accounts shall be subject only
17 to such limitations as are applicable to the appropriations
18 from which they are transferred.

19 “(c) The number of employees which in the opinion of
20 the head of the department or establishment concerned (or
21 in the opinion of the President in the case of functions or
22 activities transferred from one department or establishment
23 to another department or establishment) is required for any
24 such transferred functions or activities may, with the ap-
25 proval of the President, be deducted from any personnel

1 maximum or limitation of the agency from which such func-
2 tion or activity is transferred, and added to any such per-
3 sonnel maximum or limitation of the agency to which such
4 function or activity is transferred.”

5 On page 10, line 20, redesignate part III as part IV,
6 and in line 22 redesignate section 30 as section 40.

7 On page 23, after line 22, insert:

8 “(86) Section 204 of the Budget and Accounting
9 Act, 1921, as amended (U. S. C., title 31, sec. 581).”

10 On page 24, line 3, strike out “204” and insert in lieu
11 thereof “201”.

AMENDMENTS

Intended to be proposed by Mr. McCARTHY to the bill (S. 2054) to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify Government accounting and auditing methods and procedures, and for other purposes.

August 1 (legislative day, June 2), 1949
Referred to the Committee on Expenditures in the
Executive Departments and ordered to be printed

S. 3850

IN THE SENATE OF THE UNITED STATES

JUNE 29 (legislative day, JUNE 7), 1950

Mr. McCLELLAN (for himself, Mr. EASTLAND, Mr. HOEY, Mr. O'CONOR, Mr. HUMPHREY, Mr. LEAHY, Mr. BENTON, Mr. IVES, Mr. MUNDT, Mrs. SMITH of Maine, and Mr. SCHOEPPel) introduced the following bill; which was read twice and referred to the Committee on Expenditures in the Executive Departments

A BILL

To authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Budget and Accounting
4 Procedures Act of 1950".

5 TITLE I—BUDGETING AND ACCOUNTING

6 PART I—BUDGETING

7 DEFINITION

8 SEC. 101. Section 2 of the Budget and Accounting Act,
9 1921 (42 Stat. 20), is amended by adding at the end thereof
10 the following:

1 “The term ‘appropriations’ includes, in appropriate con-
2 text, funds and authorizations to create obligations by con-
3 tract in advance of appropriations.”

4 PERFORMANCE BUDGET AND REGULATIONS

5 SEC. 102. (a) Section 201 of such Act is amended
6 to read as follows:

7 “SEC. 201. The President shall transmit to Congress
8 during the first fifteen days of each regular session, the
9 Budget, which shall set forth his Budget message, summary
10 data and text, and supporting detail. The Budget shall
11 set forth in such form and detail as the President may
12 determine—

13 “(a) functions and activities of the Government,
14 constituting a performance budget;

15 “(b) a segregation of operating, and of capital and
16 investment programs;

17 “(c) any other desirable classifications of data;

18 “(d) a reconciliation of the summary data on ex-
19 penditures with proposed appropriations;

20 “(e) estimated expenditures and proposed appro-
21 priations necessary in his judgment for the support of
22 the Government for the ensuing fiscal year, except that
23 estimated expenditures and proposed appropriations for
24 such year for the legislative branch of the Government

1 and the Supreme Court of the United States shall be
2 transmitted to the President on or before October 15 of
3 each year, and shall be included by him in the Budget
4 without revision;

5 “(f) estimated receipts of the Government during
6 the ensuing fiscal year, under (1) laws existing at the
7 time the Budget is transmitted and also (2) under the
8 revenue proposals, if any, contained in the Budget;

9 “(g) actual appropriations, expenditures, and re-
10 cepts of the Government during the last completed fiscal
11 year;

12 “(h) estimated expenditures and receipts, and
13 actual or proposed appropriations of the Government
14 during the fiscal year in progress;

15 “(i) balanced statements of (1) the condition of
16 the Treasury at the end of the last completed fiscal
17 year, (2) the estimated condition of the Treasury at the
18 end of the fiscal year in progress, and (3) the estimated
19 condition of the Treasury at the end of the ensuing fiscal
20 year if the financial proposals contained in the Budget
21 are adopted;

22 “(j) all essential facts regarding the bonded and
23 other indebtedness of the Government; and

24 “(k) such other financial statements and data as

1 in his opinion are necessary or desirable in order to
2 make known in all practicable detail the financial con-
3 dition of the Government.”

4 (b) Section 203 of such Act is amended to read as
5 follows:

6 “SEC. 203. (a) The President from time to time may
7 transmit to Congress such proposed supplemental or defi-
8 ciency appropriations as in his judgment (1) are necessary
9 on account of laws enacted after the transmission of the
10 Budget, or (2) are otherwise in the public interest. He
11 shall accompany such proposals with a statement of the
12 reasons therefor, including the reasons for their omission
13 from the Budget.

14 “(b) Whenever such proposed supplemental or de-
15 ficiency appropriations reach an aggregate which, if they
16 had been contained in the Budget, would have required the
17 President to make a recommendation under subsection (a)
18 of section 202, he shall thereupon make such recommenda-
19 tion.”

20 (c) Section 204 of such Act is amended to read as
21 follows:

22 “SEC. 204. Except as otherwise provided in this Act,
23 the contents, order, and arrangement of the proposed
24 appropriations and the statements of expenditures and esti-
25 mated expenditures contained in the Budget or transmitted

1 under section 203, and the notes and other data submitted
2 therewith, shall conform to requirements prescribed by the
3 President.”

4 (d) Section 205 of such Act is amended to read as
5 follows:

6 “SEC. 205. Whenever any basic change is made in the
7 form of the Budget, the President, in addition to the Budget,
8 shall transmit to Congress such explanatory notes and tables
9 as may be necessary to show where the various items
10 embraced in the Budget of the prior year are contained in
11 the new Budget.”

12 (e) The last sentence of section 207 of such Act is
13 amended to read as follows: “The Bureau, under such rules
14 and regulations as the President may prescribe, shall prepare
15 the Budget, and any proposed supplemental or deficiency
16 appropriations, and to this end shall have authority to
17 assemble, correlate, revise, reduce, or increase the requests
18 for appropriations of the several departments or establish-
19 ments.”

20 (f) Section 214 of such Act is amended to read as
21 follows:

22 “SEC. 214. The head of each department and establish-
23 ment shall prepare or cause to be prepared in each year
24 his requests for regular, supplemental, or deficiency
25 appropriations.”

1 (g) Section 215 of such Act is amended to read as
2 follows:

3 “SEC. 215. The head of each department and establish-
4 ment shall submit his requests for appropriations to the
5 Bureau on or before a date which the President shall deter-
6 mine. In case of his failure to do so, the President shall
7 cause such requests to be prepared as are necessary to enable
8 him to include such requests with the Budget in respect to
9 the work of such department or establishment.”

10 (h) Section 216 of such Act is amended to read as
11 follows:

12 “SEC. 216. Requests for regular, supplemental, or defi-
13 ciency appropriations which are submitted to the Bureau by
14 the head of any department or establishment shall be pre-
15 pared and submitted as the President may determine in
16 accordance with the provisions of section 201.”

17 TRANSITORY PROVISIONS

18 SEC. 103. In order to expedite the conversion from
19 present budgeting and accounting methods to the perform-
20 ance type of Budget contemplated in the amendments made
21 by this part, the head of each department and establishment
22 in the executive branch of the Government, with the ap-
23 proval of the President, is authorized and directed, until the
24 end of the second full fiscal year following the date of the
25 enactment of this Act, to make such transfers and adjust-

1 ments within his department or establishment between ap-
2 propriations available for obligation by such department or
3 establishment in such manner as he deems necessary to
4 cause the obligation and administration of funds and the
5 reports of expenditures to reflect the financial requirements
6 of the functions and activities of the department or estab-
7 lishment. Reports of transfers and adjustments made pur-
8 suant to the authority of this section shall be made currently
9 to the President and the Congress.

10 GOVERNMENT STATISTICAL ACTIVITIES

11 SEC. 104. The President, through the Director of the
12 Bureau of the Budget, is authorized and directed to develop
13 programs and to issue regulations and orders for the im-
14 proved gathering, compiling, analyzing, publishing, and dis-
15 seminating of statistical information for any purpose by the
16 various agencies in the executive branch of the Government.
17 Such regulations and orders shall be adhered to by such
18 agencies.

19 IMPROVED ADMINISTRATION OF EXECUTIVE AGENCIES

20 SEC. 105. The President, through the Director of the
21 Bureau of the Budget, is authorized and directed to evaluate
22 and develop improved plans for the organization, coordina-
23 tion, and management of the executive branch of the Govern-
24 ment with a view to efficient and economical service.

BUSINESS-TYPE BUDGETS

SEC. 106. The first two sentences of section 102 of the Government Corporation Control Act of 1945 (59 Stat. 597), are amended to read as follows: "Each wholly owned Government corporation shall cause to be prepared annually a business-type budget which shall be submitted to the Bureau of the Budget, under such rules and regulations as the President may establish as to the date of submission, the form and content, the classifications of data, and the manner in which such budget program shall be prepared and presented."

PART II—ACCOUNTING AND AUDITING

SHORT TITLE

SEC. 110. This part may be cited as the "Accounting and Auditing Act of 1950".

DECLARATION OF POLICY

SEC. 111. It is the policy of the Congress in enacting this part that—

(a) The accounting of the Government provide full disclosure of the results of financial operations, adequate financial information needed in the management of operations and the formulation and execution of the Budget, and effective control over income, expenditures, funds, property, and other assets.

1 (b) Full consideration be given to the needs and
2 responsibilities of both the legislative and executive
3 branches in the establishment of accounting and report-
4 ing systems and requirements.

5 (c) The maintenance of accounting systems and
6 the producing of financial reports with respect to the
7 operations of executive agencies, including central facil-
8 ities for bringing together and disclosing information on
9 the results of the financial operations of the Government
10 as a whole, be the responsibility of the executive branch.

11 (d) The auditing for the Government, conducted
12 by the Comptroller General of the United States as an
13 agent of the Congress be directed at determining the
14 extent to which accounting and related financial report-
15 ing fulfill the purposes specified, financial transactions
16 have been consummated in accordance with laws, regu-
17 lations or other legal requirements, and adequate internal
18 financial control over operations is exercised, and afford
19 an effective basis for the settlement of accounts of
20 accountable officers.

21 (e) Emphasis be placed on effecting orderly im-
22 provements resulting in simplified and more effective
23 accounting, financial reporting, budgeting, and auditing

1 requirements and procedures and on the elimination of
2 those which involve duplication or which do not serve a
3 purpose commensurate with the costs involved.

4 (f) The Comptroller General of the United States,
5 the Secretary of the Treasury, and the Director of the
6 Bureau of the Budget conduct a continuous program for
7 the improvement of accounting and financial reporting
8 in the Government.

9 ACCOUNTING AND REPORTING PROVISIONS

10 SEC. 112. (a) The Comptroller General of the United
11 States, after consulting the Secretary of the Treasury and the
12 Director of the Bureau of the Budget concerning their ac-
13 counting, financial reporting, and budgetary needs, and con-
14 sidering the needs of the other executive agencies, shall pre-
15 scribe the principles, standards, and related requirements for
16 accounting to be observed by each executive agency, includ-
17 ing requirements for suitable integration between the account-
18 ing processes of each executive agency and the accounting
19 of the Treasury Department. Requirements prescribed by
20 the Comptroller General shall be designed to permit the
21 executive agencies to carry out their responsibilities under
22 section 113 of this part, while providing a basis for integrated
23 accounting for the Government, full disclosure of the results
24 of the financial operations of each executive agency and the
25 Government as a whole, and financial information and control

1 necessary to enable the Congress and the President to dis-
2 charge their respective responsibilities. The Comptroller
3 General shall continue to exercise the authority vested in
4 him by section 205 (b) of the Federal Property and Ad-
5 ministrative Services Act of 1949 (63 Stat. 389) and, to the
6 extent he deems necessary, the authority vested in him by
7 section 309 of the Budget and Accounting Act, 1921 (42
8 Stat. 25). Any such exercise of authority shall be consistent
9 with the provisions of this section.

10 (b) The General Accounting Office shall cooperate
11 with the executive agencies in the development of their
12 accounting systems, including the Treasury Department, in
13 the development and establishment of the system of central
14 accounting and reporting required by section 114 of this
15 part. Such accounting systems shall be approved by the
16 Comptroller General when deemed by him to be adequate
17 and in conformity with the principles, standards, and related
18 requirements prescribed by him.

19 (c) The General Accounting Office shall from time to
20 time review the accounting systems of the executive
21 agencies. The results of such reviews shall be available to
22 the heads of the executive agencies concerned, to the Secre-
23 tary of the Treasury, and to the Director of the Bureau of
24 the Budget, and the Comptroller General shall make such
25 reports thereon to the Congress as he deems proper.

1 SEC. 113. (a) The head of each executive agency
2 shall establish and maintain systems of accounting and in-
3 ternal control designed to provide—

4 (1) full disclosure of the financial results of the
5 agency's activities;

6 (2) adequate financial information needed for the
7 agency's management purposes;

8 (3) effective control over and accountability for
9 all funds, property, and other assets for which the
10 agency is responsible, including appropriate internal
11 audit;

12 (4) reliable accounting results to serve as the basis
13 for preparation and support of the agency's budget re-
14 quests, for controlling the execution of its budget, and
15 for providing financial information required by the
16 Bureau of the Budget under section 213 of the Budget
17 and Accounting Act, 1921 (42 Stat. 23) ;

18 (5) suitable integration of the accounting of the
19 agency with the accounting of the Treasury Depart-
20 ment in connection with the central accounting and
21 reporting responsibilities imposed on the Secretary of
22 the Treasury by section 114 of this part.

23 (b) The accounting systems of executive agencies shall
24 conform to the principles, standards, and related require-

1 ments prescribed by the Comptroller General pursuant to
2 section 112 (a) of this part.

3 SEC. 114. (a) The Secretary of the Treasury shall pre-
4 pare such reports for the information of the President, the
5 Congress, and the public as will present the results of the
6 financial operations of the Government: *Provided*, That there
7 shall be included such financial data as the Director of the
8 Bureau of the Budget may require in connection with the
9 preparation of the Budget or for other purposes of the
10 Bureau. Each executive agency shall furnish the Secretary
11 of the Treasury such reports and information relating to its
12 financial condition and operations as the Secretary, by rules
13 and regulations, may require for the effective performance
14 of his responsibilities under this section.

15 (b) The Secretary of the Treasury is authorized to
16 establish the facilities necessary to produce the financial re-
17 ports required by subsection (a) of this section. The
18 Secretary is further authorized to reorganize the accounting
19 functions and install, revise, or eliminate accounting pro-
20 cedures and financial reports of the Treasury Department in
21 order to develop effective and coordinated systems of ac-
22 counting and financial reporting in the several bureaus and
23 offices of the Department with such concentration of ac-
24 counting and reporting as is necessary to accomplish inte-

1 gration of accounting results for the activities of the Depart-
2 ment and provide the operating center for the consolidation
3 of accounting results of other executive agencies with those
4 of the Department. The authority vested in and the duties
5 imposed upon the Department by sections 10, 15, and 22 of
6 the Act entitled "An Act making appropriations for the
7 legislative, executive, and judicial branches of the Govern-
8 ment for the fiscal year ending June thirtieth, eighteen hun-
9 dred ninety-five, and for other purposes", approved July 31,
10 1894 (28 Stat. 162, 208-210), may be exercised and
11 performed by the Secretary of the Treasury as a part of his
12 broader authority and duties under this section and in such
13 a manner as to provide a unified system of central ac-
14 counting and reporting on the most efficient and useful basis.

15 (c) The system of central accounting and reporting
16 provided for herein shall be consistent with the principles,
17 standards, and related requirements prescribed by the Comp-
18 troller General pursuant to section 112 of this part.

19 SEC. 115. (a) When the Secretary of the Treasury
20 and the Comptroller General determine that existing pro-
21 cedures can be modified in the interest of simplification, im-
22 provement, or economy, with sufficient safeguards over the
23 control and accounting for the public funds, they may issue

1 joint regulations providing for the waiving, in whole or in
2 part, of the requirements of existing law that—

3 (1) warrants be issued and countersigned in con-
4 nection with the receipt, retention, and disbursement of
5 public moneys and trust funds; and

6 (2) funds be requisitioned, and advanced to ac-
7 countable officers under each separate appropriation
8 head or otherwise.

9 (b) Such regulations may further provide for the pay-
10 ment of vouchers by authorized disbursing officers by means
11 of checks issued against the general account of the Treasurer
12 of the United States: *Provided*, That in such case the regu-
13 lations shall provide for appropriate action in the event of
14 delinquency by disbursing officers in the rendition of their
15 accounts or for other reasons arising out of the condition of
16 the officers' accounts, including under necessary circum-
17 stances, the suspension or withdrawal of authority to
18 disburse.

19 SEC. 116. The Comptroller General is authorized to
20 discontinue the maintenance in the General Accounting Office
21 of appropriation, expenditure, limitation, receipt, and per-
22 sonal ledger accounts when in his opinion the accounting
23 systems and internal control of the executive, legislative,

1 and judicial agencies are sufficient to enable him to perform
2 properly the functions to which such accounts relate.

3 AUDITING PROVISIONS

4 SEC. 117. (a) Except as otherwise specifically pro-
5 vided by law, the financial transactions of each executive,
6 legislative, and judicial agency, including but not limited to
7 the accounts of accountable officers, shall be audited by the
8 General Accounting Office in accordance with such prin-
9 ciples and procedures and under such rules and regulations as
10 may be prescribed by the Comptroller General of the United
11 States. In the determination of auditing procedures to be
12 followed and the extent of examination of vouchers and other
13 documents, the Comptroller General shall give due regard
14 to generally accepted principles of auditing, including con-
15 sideration of the effectiveness of accounting organizations
16 and systems, internal audit and control, and related adminis-
17 trative practices of the respective agencies.

18 (b) Whenever the Comptroller General determines that
19 the audit shall be conducted at the place or places where the
20 accounts and other records of an executive agency are nor-
21 mally kept, he may require any executive agency to retain
22 in whole or in part accounts of accountable officers, contracts,
23 vouchers, and other documents, which are required under
24 existing law to be submitted to the General Accounting
25 Office, under such conditions and for such period not exceed-

1 ing ten years as he may specify, unless a longer period is
 2 agreed upon with the executive agency: *Provided*, That
 3 under agreements between the Comptroller General and
 4 legislative and judicial agencies the provisions of this sentence
 5 may be extended to the accounts and records of such agencies.

6 GENERAL PROVISIONS

7 SEC. 118. As used in this part, the term "executive
 8 agency" means any executive department or independent
 9 establishment in the executive branch of the Government
 10 but (a) except for the purposes of sections 114, 116, and
 11 119 shall not include any Government corporation or agency
 12 subject to the Government Corporation Control Act (59
 13 Stat. 597), and (b) except for the purposes of sections
 14 111, 114, and 116 shall not include the Post Office
 15 Department.

16 SEC. 119. The head of each executive agency is au-
 17 thorized to designate the place or places, at the seat of
 18 government or elsewhere, at which the administrative
 19 examination of fiscal officers' accounts will be performed,
 20 and with the concurrence of the Comptroller General to
 21 waive the administrative examination in whole or in part:
 22 *Provided*, That the same authority is hereby conferred upon
 23 the officers responsible for the administrative examination
 24 of accounts for legislative and judicial agencies.

1 TITLE II--APPROPRIATIONS

2 TRANSFERS BETWEEN APPROPRIATIONS

3 SEC. 201. After the end of the second full fiscal year
4 following the date of enactment of this Act, with the ap-
5 proval of the President, the head of each department and
6 establishment in the executive branch of the Govern-
7 ment is authorized to make transfers and adjustments
8 between appropriations within his department or estab-
9 lishment in order to promote economy and efficiency,
10 but no appropriation shall be increased or decreased thereby
11 during any fiscal year by more than 5 per centum. Reports
12 of such transfers and adjustments with the reasons therefor
13 shall be made currently to the President and the Congress
14 and shall be summarized annually in the Budget.

15 AUTHORIZATIONS FOR APPROPRIATIONS

16 SEC. 202. No requests for legislation, which, if enacted,
17 would authorize subsequent appropriations for a department
18 or establishment in the executive branch of the Government,
19 shall be transmitted to the Bureau of the Budget, to the
20 President, or to the Congress by such department or estab-
21 lishment, or by any organizational unit thereof, without the
22 prior approval of the head of such department or establish-
23 ment.

REDUCTIONS IN APPROPRIATIONS

SEC. 203. To promote economy and to reduce expenditures, the President is authorized to establish and to modify from time to time reserves from appropriations for the executive branch of the Government to the extent that he determines that the purposes intended by the Congress will be accomplished by the expenditure of amounts less than the amounts appropriated.

ADJUSTMENT OF APPROPRIATIONS FOR REORGANIZATION

SEC. 204. (a) When under authority of law a function or an activity is transferred or assigned from one agency within any department or establishment to another agency in the same department or establishment, the balance of appropriations which are determined by the head of such department or establishment to be available and necessary to finance or discharge the function or activity so transferred or assigned may, with the approval of the President, be transferred to, and be available for use by, the agency to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby

1 authorized to be established, and shall be merged with
2 funds in the applicable existing or newly established appro-
3 priation account or accounts and thereafter accounted for as
4 one fund.

5 (b) When under authority of law a function or activity
6 is transferred or assigned from one department or establish-
7 ment to another department or establishment, the balance of
8 appropriations which are determined by the President to be
9 available and necessary to finance or discharge the function
10 or activity so transferred or assigned, shall be transferred to
11 and be available for use by the department or establishment
12 to which said function or activity is transferred or assigned
13 for any purpose for which said funds were originally avail-
14 able. Balances so transferred shall be credited to any
15 applicable existing appropriation account or accounts, or
16 to any new appropriation account or accounts, which are
17 hereby authorized to be established, and shall be merged
18 with funds in the applicable existing or newly established
19 appropriation account or accounts and thereafter accounted
20 for as one fund.

21 TITLE III—REPEALS AND SAVING PROVISIONS

22 REPEALS

23 SEC. 301. The following Acts and parts of Acts are
24 hereby repealed:

1 (1) Section 10 of the Act of August 1, 1914 (38
2 Stat. 680; U. S. C., title 31, sec. 582).

3 (2) So much of section 4 of the Act of June 20, 1874
4 (18 Stat. 109; U. S. C., title 31, sec. 583 (1)), as reads:
5 “; and hereafter the Secretary of the Treasury shall annually
6 submit to Congress detailed estimates of appropriations re-
7 quired for said expenses;”.

8 (3) The last proviso in the first paragraph under the
9 heading “Judgments; United States Courts” of the Act of
10 April 27, 1904 (33 Stat. 422; U. S. C., title 31, sec.
11 583 (2)).

12 (4) The last sentence of section 5 of the Act of August
13 5, 1882 (22 Stat. 256; U. S. C., title 31, sec. 583 (3)).

14 (5) So much of the matter appearing under the heading
15 “Mints and Assay Offices” of the Act of March 4, 1911 (36
16 Stat. 1292; U. S. C., title 31, sec. 583 (4)), as reads:
17 “, and the Secretary of the Treasury shall, for the fiscal year
18 nineteen hundred and thirteen, and annually thereafter, sub-
19 mit to Congress, in the regular book of estimates, detailed
20 estimates for the expenses of this Service”.

21 (6) So much of the matter appearing under the heading
22 “Treasury Department” in the Act of August 26, 1912 (37
23 Stat. 596; U. S. C., title 31, sec. 583 (5)), as reads:

1 *“Provided further, That estimates hereunder shall be sub-*
2 *mitted in detail for the fiscal year 1914, and annually*
3 *thereafter”.*

4 (7) The last sentence of the paragraph under the head-
5 ing “Federal Farm Loan Board” of the Act of September
6 8, 1916 (U. S. C., title 31, sec. 583 (7)), appearing on
7 page 803 of volume 39 of the Statutes at Large; and the
8 third and last paragraph under the heading “Federal Farm
9 Loan Bureau” of the Act of March 3, 1917 (U. S. C., title
10 31, sec. 583 (7)), appearing on page 1084 of volume 39
11 of the Statutes at Large.

12 (8) The last sentence on page 48 of volume 30 of the
13 Statutes at Large, in the Act of June 4, 1897 (U. S. C.,
14 title 31, sec. 583 (8)).

15 (9) The first sentence of section 6 of the Act of March
16 3, 1919 (40 Stat. 1309; U. S. C., title 31, sec. 583 (10)).

17 (10) The last proviso under the heading “Office of the
18 Chief Signal Officer” of the Act of March 2, 1907 (34 Stat.
19 1159; U. S. C., title 31, sec. 583 (11)).

20 (11) The sixth full paragraph appearing on page 648
21 of volume 29 of the Statutes at Large in the Act of March 3,
22 1897 (U. S. C., title 31, sec. 583 (13)).

23 (12) So much of the matter following the heading
24 “Bureau of Mines” in the Act of March 3, 1915 (38 Stat.

1 858; U. S. C., title 31, sec. 583 (14)) as reads: “, estimates
2 shall be submitted specifically for all personal services re-
3 quired permanently and entirely in the Bureau of Mines at
4 Washington, District of Columbia, and previously paid from
5 lump-sum or general appropriations;”.

6 (13) The proviso at the end of the fourth paragraph
7 on page 312 of volume 37 of the Statutes at Large, in the
8 Act of August 17, 1912 (U. S. C., title 31, sec. 583 (15)).

9 (14) The third paragraph appearing on page 1082 of
10 volume 32 of the Statutes at Large, in the Act of March 3,
11 1903 (U. S. C., title 31, sec. 583 (16)).

12 (15) So much of section 12 of the Act of June 26,
13 1906 (34 Stat. 480; U. S. C., title 31, sec. 583 (18)),
14 as reads: “and he shall annually submit to Congress esti-
15 mates to cover the cost of the establishment and maintenance
16 of fish hatcheries in Alaska, the salaries and actual traveling
17 expenses of such officials, and for such other expenditures as
18 may be necessary to carry out the provisions of this Act”.

19 (16) The proviso at the end of the first full paragraph
20 on page 456 of volume 32 of the Statutes at Large, in the
21 Act of June 28, 1902 (U. S. C., title 31, sec. 583 (20)).

22 (17) The second full paragraph on page 841 of volume
23 38 of the Statutes at Large, in the Act of March 3, 1915
24 (U. S. C., title 31, sec. 583 (21)).

1 (18) The fourth full paragraph on page 2 of volume 38
2 of the Statutes at Large, in the Act of May 1, 1913
3 (U. S. C., title 31, sec. 583 (22)).

4 (19) The proviso at the end of the second paragraph
5 under the heading "Bureau of Immigration and Naturaliza-
6 tion" of the Act of March 4, 1907 (34 Stat. 1329, 1330;
7 U. S. C., title 31, sec. 583 (23)).

8 (20) The second full paragraph on page 374 of volume
9 35 of the Statutes at Large, in the Act of May 27, 1908
10 (U. S. C., title 31, sec. 583 (25)).

11 (21) So much of the last paragraph on page 396 of
12 volume 37 of the Statutes at Large, in the Act of August
13 23, 1912 (U. S. C., title 31, sec. 583 (26)), as reads:
14 "For the fiscal year nineteen hundred and fourteen and
15 annually thereafter estimates in detail shall be submitted for
16 all personal services required in the Indian Office,".

17 (22) The proviso at the end of the first full paragraph
18 on page 646 of volume 41 of the Statutes at Large, in the
19 Act of May 29, 1920 (U. S. C., title 31, sec. 584).

20 (23) Section 3660 of the Revised Statutes (U. S. C.,
21 title 31, sec. 585).

22 (24) Section 4 of the Act of June 22, 1906 (34 Stat.
23 448; U. S. C., title 31, sec. 586).

24 (25) Section 4 of the Act of March 4, 1909 (35 Stat.
25 907; U. S. C., title 31, sec. 587).

1 (26) Section 2 of the Act of June 30, 1906 (34 Stat.
2 762; U. S. C., title 31, sec. 588) ; and the proviso in the
3 first paragraph on page 1367 of volume 34 of the Statutes
4 at Large, in the Act of March 4, 1907 (U. S. C., title 31,
5 sec. 588) .

6 (27) Section 3661, as amended, of the Revised Statutes
7 (U. S. C., title 31, sec. 589) .

8 (28) So much of the first paragraph on page 255 of
9 volume 24 of the Statutes at Large, in the Act of August
10 4, 1886 (U. S. C., title 31, sec. 590) , as reads: “: *Pro-*
11 *vided further*, That all printing and engraving for the Geo-
12 logical Survey, the Coast and Geodetic Survey, the Hydro-
13 graphic Office of the Navy Department, and the Signal
14 Service shall hereafter be estimated for separately and in
15 detail, and appropriated for separately for each of said
16 bureaus” .

17 (29) Section 3662 of the Revised Statutes (U. S. C.,
18 title 31, sec. 591) .

19 (30) Section 3663 of the Revised Statutes, as amended
20 (U. S. C., title 31, sec. 594) .

21 (31) Section 3664 of the Revised Statutes (U. S. C.,
22 title 31, sec. 597) .

23 (32) Section 3665 of the Revised Statutes (U. S. C.,
24 title 31, sec. 598) .

25 (33) The second paragraph under the heading “Rev-

1 enue-Cutter Service" in the Act of March 2, 1889 (25
2 Stat. 907; U. S. C., title 31, sec. 600).

3 (34) So much of the second full paragraph on page
4 512 of volume 24 of the Statutes at Large, in the Act of
5 March 3, 1887 (U. S. C., title 31, sec. 601), as reads:
6 "That the Secretary of the Treasury shall for the fiscal year
7 eighteen hundred and eighty-seven, and for each fiscal year
8 thereafter in the annual estimates, report to Congress the
9 number of persons employed outside of the District of Co-
10 lumbia, as superintendents, clerks, watchmen and otherwise,
11 and paid from appropriations for the construction of public
12 buildings showing where said persons are employed, in what
13 capacity, the length of time and at what rate of compensa-
14 tion,".

15 (35) So much of the sixth full paragraph on page 374
16 of volume 26 of the Statutes at Large, in the Act of August
17 30, 1890 (U. S. C., title 31, sec. 601) as reads: "; and
18 hereafter the Secretary of the Treasury shall annually re-
19 port to Congress in the book of estimates a statement of
20 the expenditure of the appropriation for 'repairs and preser-
21 vation of public buildings' which shall show the amount
22 expended on each public building and the number of per-
23 sons employed and paid salaries from such appropriation".

24 (36) So much of section 1317 of the Revenue Act of
25 1921 (42 Stat. 314; U. S. C., title 31, sec. 602) as reads:

1 “; and the Secretary of the Treasury shall submit for the
2 fiscal year 1921, and annually thereafter, an estimate of
3 appropriations to refund and pay back duties or taxes
4 erroneously or illegally assessed or collected under the In-
5 ternal Revenue laws, and to pay judgments, including in-
6 terest and costs, rendered for taxes or penalties erroneously
7 or illegally assessed or collected under the internal revenue
8 laws”.

9 (37) The first paragraph on page 133 of volume
10 22 of the Statutes at Large, in the Act of July 1, 1882
11 (U. S. C., title 31, sec. 603).

12 (38) The eighth paragraph under the heading “For-
13 eign Intercourse” of the Act of May 3, 1905 (33 Stat.
14 1214; U. S. C., title 31, sec. 603).

15 (39) The last paragraph on page 48 of volume 30
16 of the Statutes at Large, in the Act of June 4, 1897
17 (U. S. C., title 31, sec. 604).

18 (40) The eighth paragraph under the heading “Under
19 the Engineer Department” of the Act of February 13, 1913
20 (37 Stat. 671; U. S. C., title 31, sec. 605).

21 (41) The sixth paragraph under the heading “Fortifi-
22 cations in Insular Possessions” of the Act of March 3, 1905
23 (33 Stat. 847; U. S. C., title 31, sec. 606).

24 (42) So much of the first section of the Act of Au-
25 gust 4, 1886 (24 Stat. 246; U. S. C., title 31, sec. 607),

1 as reads: "the estimates for the Army and Navy hos-
2 pital service shall be submitted as a part of the military
3 establishment".

4 (43) The first full paragraph on page 117 of volume
5 31 of the Statutes at Large, in the Act of April 17, 1900
6 (U. S. C., title 31, sec. 609).

7 (44) Section 3668 of the Revised Statutes (U. S. C.,
8 title 31, sec. 610).

9 (45) So much of the first paragraph on page 357 of
10 volume 20 of the Statutes at Large, in the Act of March
11 3, 1879 (U. S. C., title 31, sec. 611), as reads: "*Pro-*
12 *vided*, That hereafter, in making his estimates for railway
13 mail service the Postmaster General shall separate the esti-
14 mate for postal-car service from the general estimates; and
15 in case any increase or diminution of service by postal cars
16 shall be made by him, the reasons therefor shall be given
17 in his annual report next succeeding such increase or
18 diminution".

19 (46) So much of the first paragraph under the heading
20 "United States Geological Survey" in the Act of March 3,
21 1887 (24 Stat. 527; U. S. C., title 31, sec. 612), as reads:
22 "; and hereafter the estimates for the Geological Survey
23 shall be itemized".

24 (47) The first paragraph on page 455 of volume 32

1 of the Statutes at Large, in the Act of June 28, 1902
2 (U. S. C., title 31, sec. 612).

3 (48) Section 4 of the Act of August 15, 1876 (19
4 Stat. 200; U. S. C., title 31, sec. 613).

5 (49) The fourth paragraph of section 26 of the Act
6 of June 30, 1913 (38 Stat. 103; U. S. C., title 31, sec.
7 613).

8 (50) The eighth full paragraph on page 1421 of volume
9 36 of the Statutes at Large, in the Act of March 4, 1911
10 (U. S. C., title 31, sec. 614).

11 (51) The eighth full paragraph on page 1206 of volume
12 33 of the Statutes at Large, in the Act of March 3, 1905
13 (U. S. C., title 31, sec. 615).

14 (52) The fourth full paragraph under the heading
15 "Government in the Territories" of the Act of July 16,
16 1914 (38 Stat. 479; U. S. C., title 31, sec. 616).

17 (53) The first full paragraph on page 492 of volume
18 39 of the Statutes at Large, in the Act of August 11, 1916
19 (U. S. C., title 31, sec. 617).

20 (54) The proviso in the first paragraph under the
21 heading "Rent in the District of Columbia" of the Act of
22 March 4, 1915 (38 Stat. 1108; U. S. C., title 31, sec.
23 617).

24 (55) The seventh paragraph on page 433 of volume

1 32 of the Statutes at Large, in the Act of June 28, 1902
2 (U. S. C., title 31, sec. 618).

3 (56) The ninth full paragraph on page 755 of volume
4 36 of the Statutes at Large, in the Act of June 25, 1910
5 (U. S. C., title 31, sec. 618).

6 (57) The fourth full paragraph on page 362 of volume
7 27 of the Statutes at Large, in the Act of August 5, 1892
8 (U. S. C., title 31, sec. 619).

9 (58) The first full paragraph on page 764 of volume
10 36 of the Statutes at Large, in the Act of June 25, 1910
11 (U. S. C., title 31, sec. 620).

12 (59) Section 6 of the Act of August 1, 1914 (38
13 Stat. 679; U. S. C., title 31, sec. 621).

14 (60) The last full sentence in the first paragraph on
15 page 254 of volume 23 of the Statutes at Large, in the Act
16 of July 7, 1884 (U. S. C., title 31, sec. 622).

17 (61) Section 5 of the Act of June 30, 1906 (34 Stat.
18 763; U. S. C., title 31, sec. 626).

19 (62) The proviso at the end of the first paragraph on
20 page 579 of volume 37 of the Statutes at Large, in the Act
21 of August 24, 1912 (U. S. C., title 31, sec. 626).

22 (63) Section 7, as amended, of the Act of August 26,
23 1912 (37 Stat. 626; 37 Stat. 790; U. S. C., title 31, sec.
24 629).

1 (64) The fourth full paragraph on page 854 of volume
2 37 of the Statutes at Large, in the Act of March 4, 1913
3 (U. S. C., title 31, sec. 630).

4 (65) The proviso at the end of the seventh paragraph
5 on page 1030 of volume 31 of the Statutes at Large, in the
6 Act of March 3, 1901 (U. S. C., title 31, sec. 633).

7 (66) The second paragraph under the heading "Con-
8 tingent, Bureau of Ordnance" of the Act of July 12, 1921
9 (42 Stat. 128; U. S. C., title 31, sec. 636), down through
10 the first proviso therein.

11 (67) So much of the third paragraph under the heading
12 "Contingent Expenses, Navy Department" of the Act of
13 June 22, 1906 (34 Stat. 427; U. S. C., title 31, sec. 637),
14 as reads: "and hereafter it shall not be lawful to expend, for
15 any of the offices or bureaus of the Navy Department at
16 Washington, any sum out of appropriations made for the
17 naval establishment for any of the purposes mentioned or
18 authorized in the said foregoing paragraph".

19 (68) So much of the paragraph under the heading "In-
20 crease of the Navy, Equipment" of the Act of March 3, 1915
21 (38 Stat. 952; U. S. C., title 31, sec. 648), as reads: "and
22 beginning with July first, nineteen hundred and fifteen,
23 equipment outfits shall be charged to appropriation 'Increase
24 of the Navy, Construction and Machinery'".

1 (69) The two provisos in the paragraph under the
2 heading "Fuel and Transportation" of the Act of March 3,
3 1915 (38 Stat. 944; U. S. C., title 31, sec. 649).

4 (70) The proviso in the tenth paragraph on page 236
5 of volume 28 of the Statutes at Large, in the Act of August
6 6, 1894 (U. S. C., title 31, sec. 650).

7 (71) The fourth full paragraph on page 1175 of volume
8 34 of the Statutes at Large, in the Act of March 2, 1907
9 (U. S. C., title 31, sec. 655).

10 (72) So much of the first full paragraph on page 1391
11 of volume 42 of the Statutes at Large, in the Act of March
12 2, 1923 (U. S. C., title 31, sec. 656), as reads: "and
13 the Budget estimates for each of such appropriations shall
14 hereafter carry separately the amounts required for such
15 transportation costs".

16 (73) The proviso in the seventh full paragraph on page
17 520 of volume 32 of the Statutes at Large, in the Act of
18 June 30, 1902 (U. S. C., title 31, sec. 657).

19 (74) The proviso in lines 2 through 8 on page 710
20 of volume 36 of the Statutes at Large, in the Act of June 25,
21 1910 (U. S. C., title 31, sec. 664).

22 (75) Section 3682 of the Revised Statutes (U. S. C.,
23 title 31, sec. 674).

24 (76) Section 3683 of the Revised Statutes (U. S. C.,
25 title 31, sec. 675).

1 (77) The second full paragraph on page 1303 of volume
2 41 of the Statutes at Large, in the Act of March 3, 1921
3 (U. S. C., title 31, sec. 676).

4 (78) The proviso in lines 7 through 17 on page 203
5 of volume 20 of the Statutes at Large, in the Act of June
6 19, 1878 (U. S. C., title 31, sec. 677).

7 (79) Section 3684 of the Revised Statutes (U. S. C.,
8 title 31, sec. 681).

9 (80) Section 6 of the Act of May 30, 1908 (U. S. C.,
10 title 31, sec. 683).

11 (81) So much of the paragraph under the heading
12 "Pay of Assistant Custodians and Janitors" on pages 1153
13 and 1154 of volume 31 of the Statutes at Large, in the Act
14 of March 3, 1901 (U. S. C., title 31, sec. 684), as reads:
15 " , and hereafter no other fund appropriated shall be used
16 for this service".

17 (82) The second paragraph under the heading "United
18 States Commerce Court" of the Act of March 4, 1911 (36
19 Stat. 1234; U. S. C., title 31, sec. 687).

20 (83) Section 26 of the Act of June 30, 1913 (38 Stat.
21 103; (U. S. C., title 31, sec. 688).

22 (84) Section 400 of the Second Deficiency Appropria-
23 tion Act, 1947 (U. S. C., title 31, sec. 694).

24 (85) Section 607 of the Act of June 30, 1945, as
25 amended (59 Stat. 304; U. S. C., title 5, sec. 947).

1 (86) Section 3 of the Act of March 3, 1875, as
2 amended (18 Stat. 370; U. S. C., title 31, sec. 624).

3 (87) So much of the Act of March 26, 1934, as
4 amended (48 Stat. 466; U. S. C., title 5, sec. 118c), as
5 reads: "with the Budget estimates".

6 (88) So much of the paragraph under the heading
7 "Department of State" in the Act of August 5, 1909 (36
8 Stat. 119; U. S. C., title 5, sec. 157), as reads: "and
9 estimates for further appropriations hereunder shall include
10 in detail salaries for all persons to be employed and paid
11 in the Department of State at Washington, District of
12 Columbia".

13 (89) The last proviso under the head "Working Capi-
14 tal Fund" in the Act of July 12, 1943 (57 Stat. 393;
15 U. S. C., title 5, sec. 558a).

16 (90) So much of section 17 of the Act of May 22,
17 1920, as amended (41 Stat. 620; U. S. C., title 5, sec.
18 730), as reads: "annually to the Bureau of the Budget".

19 (91) Section 31 of the Act of September 7, 1916, as
20 amended (39 Stat. 749; U. S. C., title 5, sec. 782).

21 (92) The last sentence of section 35 of the Act of
22 September 7, 1916, as amended (39 Stat. 749; U. S. C.,
23 title 5, sec. 785).

24 (93) So much of section 1 of the Act of October 1,
25 1890 (26 Stat. 653; U. S. C., title 10, sec. 214), as

1 reads: "and the Signal Corps of the Army shall remain a
2 part of the Military Establishment under the direction of
3 the Secretary of War, and all estimates for its support shall
4 be included with other estimates for the support of the
5 Military Establishment".

6 (94) The last proviso of section 4 of the Act of March
7 12, 1926 (44 Stat. 206; U. S. C., title 10, sec. 1597).

8 (95) So much of section 1 of the Act of June 12,
9 1917, as amended (40 Stat. 153; U. S. C., title 16, sec.
10 452), as reads: "and the Secretary of the Interior is directed
11 to submit, for the fiscal year nineteen hundred and nineteen
12 and annually thereafter, estimates of the amounts required
13 for the care, maintenance, and development of the said
14 parks."

15 (96) So much of section 1 of the Act of July 24, 1876,
16 as amended (19 Stat. 99; U. S. C., title 24, sec. 278), as
17 requires estimates for the care and maintenance of the na-
18 tional military cemeteries to be submitted annually by the
19 Director of the National Park Service.

20 (97) So much of section 1 of the Act of January 24,
21 1923 (42 Stat. 1208; U. S. C., title 31, sec. 12), as reads:
22 "The aggregate of all estimates of appropriations from the
23 'reclamation fund' contained in the Budget for any fiscal
24 year shall be included in the totals of the Budget for that
25 year."

1 (98) The second paragraph under the heading "Pay,
2 Miscellaneous" of the Act of March 3, 1909 (35 Stat. 754;
3 U. S. C., title 31, sec. 609a).

4 (99) The third paragraph under the heading "Office
5 of the Fourth Assistant Postmaster General" of the Act of
6 June 9, 1896 (29 Stat. 316; U. S. C., title 31, sec. 610a).

7 (100) The last proviso under the heading "National
8 Home for Disabled Volunteer Soldiers" of the Act of October
9 2, 1888, as amended (25 Stat. 543; U. S. C., title 31,
10 sec. 719).

11 (101) Section 119 of the Act of June 3, 1916 (39
12 Stat. 213; U. S. C., title 32, sec. 25).

13 (102) So much of the fourth full paragraph on page
14 558 of volume 39 of the Statutes at Large in the Act of
15 August 29, 1916 (U. S. C., title 34, sec. 504), as reads:
16 "and the Secretary of the Navy shall each year, in the
17 annual estimates, report to Congress the number of persons
18 so employed, their duties, and the amount paid to each".

19 (103) The last proviso in the third paragraph on page
20 377 of volume 37 of the Statutes at Large in the Act of
21 August 23, 1912 (U. S. C., title 39, sec. 769).

22 (104) Section 27 of the Act of January 12, 1895, as
23 amended (28 Stat. 604; U. S. C., title 44, sec. 37).

24 (105) The eighth full paragraph on page 382 of

1 volume 35 of the Statutes at Large in the Act of May 27,
2 1908 (U. S. C., title 44, sec. 37).

3 (106) The last paragraph under the heading "Govern-
4 ment in the Territories" in the Act of June 20, 1874 (18
5 Stat. 99; U. S. C., title 48, sec. 1456).

6 SAVING PROVISIONS

7 SEC. 302. (a) The omission of any provision of law
8 from the provisions of law repealed under section 301
9 shall not be construed as limiting the application of section
10 201 or 216 of the Budget and Accounting Act, 1921, as
11 amended, or the powers of the President thereunder, or as
12 evidencing an intent that such provision was not to be super-
13 seded by such sections.

14 (b) Whenever any law authorizes expenditures for a
15 particular object or purpose to be made from an appro-
16 priation item referred to in such law by the specific title
17 theretofore used for that appropriation item in the appro-
18 priation Act concerned, and thereafter such title is changed
19 or is eliminated from such appropriation Act, expenditures
20 for such object or purpose thereafter may be made from any
21 corresponding appropriation item.

22 (c) Except where authority for performance of a func-
23 tion is specifically repealed in section 301, none of the pro-
24 visions of such section shall be construed as affecting the

1 jurisdiction or responsibility of any agency or officer of the
2 Government over any function or organizational unit referred
3 to in such section.

4 (d) Existing laws, policies, procedures, and directives
5 pertaining to functions covered by this Act, and not incon-
6 sistent herewith or repealed hereby, shall remain in full
7 force and effect unless and until superseded, or except as
8 they may be amended, under the authority of this Act or
9 under other appropriate authority.

A BILL

To authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes.

By Mr. McCLELLAN, Mr. EASTLAND, Mr. HOEY,
Mr. O'CONNOR, Mr. HUMPHREY, Mr. LEAHY,
Mr. BENTON, Mr. IVES, Mr. MUNDT, Mrs.
SMITH of Maine, and Mr. SCHOEPPel.

JUNE 29 (legislative day, JUNE 7), 1950

Read twice and referred to the Committee on
Expenditures in the Executive Departments

81ST CONGRESS
2D SESSION

H. R. 9038

IN THE HOUSE OF REPRESENTATIVES

JULY 5, 1950

Mr. KARSTEN introduced the following bill; which was referred to the Committee on Expenditures in the Executive Departments

A BILL

To authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Budget and Accounting
4 Procedures Act of 1950".

5 TITLE I—BUDGETING AND ACCOUNTING

6 PART I—BUDGETING

7 DEFINITION

8 SEC. 101. Section 2 of the Budget and Accounting Act,
9 1921 (42 Stat. 20), is amended by adding at the end thereof
10 the following:

1 “The term ‘appropriations’ includes, in appropriate con-
2 text, funds and authorizations to create obligations by con-
3 tract in advance of appropriations.”

4 PERFORMANCE BUDGET AND REGULATIONS

5 SEC. 102. (a) Section 201 of such Act is amended
6 to read as follows:

7 “SEC. 201. The President shall transmit to Congress
8 during the first fifteen days of each regular session, the
9 Budget, which shall set forth his Budget message, summary
10 data and text, and supporting detail. The Budget shall
11 set forth in such form and detail as the President may
12 determine—

13 “(a) functions and activities of the Government,
14 constituting a performance budget;

15 “(b) a segregation of operating, and of capital and
16 investment programs;

17 “(c) any other desirable classifications of data;

18 “(d) a reconciliation of the summary data on ex-
19 penditures with proposed appropriations;

20 “(e) estimated expenditures and proposed appro-
21 priations necessary in his judgment for the support of
22 the Government for the ensuing fiscal year, except that
23 estimated expenditures and proposed appropriations for
24 such year for the legislative branch of the Government

1 and the Supreme Court of the United States shall be
2 transmitted to the President on or before October 15 of
3 each year, and shall be included by him in the Budget
4 without revision;

5 “(f) estimated receipts of the Government during
6 the ensuing fiscal year, under (1) laws existing at the
7 time the Budget is transmitted and also (2) under the
8 revenue proposals, if any, contained in the Budget;

9 “(g) actual appropriations, expenditures, and re-
10 cepts of the Government during the last completed fiscal
11 year;

12 “(h) estimated expenditures and receipts, and
13 actual or proposed appropriations of the Government
14 during the fiscal year in progress;

15 “(i) balanced statements of (1) the condition of
16 the Treasury at the end of the last completed fiscal
17 year, (2) the estimated condition of the Treasury at the
18 end of the fiscal year in progress, and (3) the estimated
19 condition of the Treasury at the end of the ensuing fiscal
20 year if the financial proposals contained in the Budget
21 are adopted;

22 “(j) all essential facts regarding the bonded and
23 other indebtedness of the Government; and

24 “(k) such other financial statements and data as

1 in his opinion are necessary or desirable in order to
2 make known in all practicable detail the financial con-
3 dition of the Government.”

4 (b) Section 203 of such Act is amended to read as
5 follows:

6 “SEC. 203. (a) The President from time to time may
7 transmit to Congress such proposed supplemental or defi-
8 ciency appropriations as in his judgment (1) are necessary
9 on account of laws enacted after the transmission of the
10 Budget, or (2) are otherwise in the public interest. He
11 shall accompany such proposals with a statement of the
12 reasons therefor, including the reasons for their omission
13 from the Budget.

14 “(b) Whenever such proposed supplemental or de-
15 ficiency appropriations reach an aggregate which, if they
16 had been contained in the Budget, would have required the
17 President to make a recommendation under subsection (a)
18 of section 202, he shall thereupon make such recommenda-
19 tion.”

20 (c) Section 204 of such Act is amended to read as
21 follows:

22 “SEC. 204. Except as otherwise provided in this Act,
23 the contents, order, and arrangement of the proposed
24 appropriations and the statements of expenditures and esti-
25 mated expenditures contained in the Budget or transmitted

1 under section 203, and the notes and other data submitted
2 therewith, shall conform to requirements prescribed by the
3 President.”

4 (d) Section 205 of such Act is amended to read as
5 follows:

6 “SEC. 205. Whenever any basic change is made in the
7 form of the Budget, the President, in addition to the Budget,
8 shall transmit to Congress such explanatory notes and tables
9 as may be necessary to show where the various items
10 embraced in the Budget of the prior year are contained in
11 the new Budget.”

12 (e) The last sentence of section 207 of such Act is
13 amended to read as follows: “The Bureau, under such rules
14 and regulations as the President may prescribe, shall prepare
15 the Budget, and any proposed supplemental or deficiency
16 appropriations, and to this end shall have authority to
17 assemble, correlate, revise, reduce, or increase the requests
18 for appropriations of the several departments or establish-
19 ments.”

20 (f) Section 214 of such Act is amended to read as
21 follows:

22 “SEC. 214. The head of each department and establish-
23 ment shall prepare or cause to be prepared in each year
24 his requests for regular, supplemental, or deficiency
25 appropriations.”

1 (g) Section 215 of such Act is amended to read as
2 follows:

3 “SEC. 215. The head of each department and establish-
4 ment shall submit his requests for appropriations to the
5 Bureau on or before a date which the President shall deter-
6 mine. In case of his failure to do so, the President shall
7 cause such requests to be prepared as are necessary to enable
8 him to include such requests with the Budget in respect to
9 the work of such department or establishment.”

10 (h) Section 216 of such Act is amended to read as
11 follows:

“SEC. 216. Requests for regular, supplemental, or deficiency appropriations which are submitted to the Bureau by the head of any department or establishment shall be prepared and submitted as the President may determine in accordance with the provisions of section 201.”

17 TRANSITORY PROVISIONS

18 SEC. 103. In order to expedite the conversion from
19 present budgeting and accounting methods to the perform-
20 ance type of Budget contemplated in the amendments made
21 by this part, the head of each department and establishment
22 in the executive branch of the Government, with the ap-
23 proval of the President, is authorized and directed, until the
24 end of the second full fiscal year following the date of the
25 enactment of this Act, to make such transfers and adjust-

1 ments within his department or establishment between ap-
2 propriations available for obligation by such department or
3 establishment in such manner as he deems necessary to
4 cause the obligation and administration of funds and the
5 reports of expenditures to reflect the financial requirements
6 of the functions and activities of the department or estab-
7 lishment. Reports of transfers and adjustments made pur-
8 suant to the authority of this section shall be made currently
9 to the President and the Congress.

10 GOVERNMENT STATISTICAL ACTIVITIES

11 SEC. 104. The President, through the Director of the
12 Bureau of the Budget, is authorized and directed to develop
13 programs and to issue regulations and orders for the im-
14 proved gathering, compiling, analyzing, publishing, and dis-
15 seminating of statistical information for any purpose by the
16 various agencies in the executive branch of the Government.
17 Such regulations and orders shall be adhered to by such
18 agencies.

19 IMPROVED ADMINISTRATION OF EXECUTIVE AGENCIES

20 SEC. 105. The President, through the Director of the
21 Bureau of the Budget, is authorized and directed to evaluate
22 and develop improved plans for the organization, coordina-
23 tion, and management of the executive branch of the Govern-
24 ment with a view to efficient and economical service.

BUSINESS-TYPE BUDGETS

SEC. 106. The first two sentences of section 102 of the Government Corporation Control Act of 1945 (59 Stat. 597), are amended to read as follows: "Each wholly owned Government corporation shall cause to be prepared annually a business-type budget which shall be submitted to the Bureau of the Budget, under such rules and regulations as the President may establish as to the date of submission, the form and content, the classifications of data, and the manner in which such budget program shall be prepared and presented."

PART II—ACCOUNTING AND AUDITING

SHORT TITLE

SEC. 110. This part may be cited as the "Accounting and Auditing Act of 1950".

DECLARATION OF POLICY

SEC. 111. It is the policy of the Congress in enacting this part that—

(a) The accounting of the Government provide full disclosure of the results of financial operations, adequate financial information needed in the management of operations and the formulation and execution of the Budget, and effective control over income, expenditures, funds, property, and other assets.

1 (b) Full consideration be given to the needs and
2 responsibilities of both the legislative and executive
3 branches in the establishment of accounting and report-
4 ing systems and requirements.

5 (c) The maintenance of accounting systems and
6 the producing of financial reports with respect to the
7 operations of executive agencies, including central facil-
8 ities for bringing together and disclosing information on
9 the results of the financial operations of the Government
10 as a whole, be the responsibility of the executive branch.

11 (d) The auditing for the Government, conducted
12 by the Comptroller General of the United States as an
13 agent of the Congress be directed at determining the
14 extent to which accounting and related financial report-
15 ing fulfill the purposes specified, financial transactions
16 have been consummated in accordance with laws, regu-
17 lations or other legal requirements, and adequate internal
18 financial control over operations is exercised, and afford
19 an effective basis for the settlement of accounts of
20 accountable officers.

21 (e) Emphasis be placed on effecting orderly im-
22 provements resulting in simplified and more effective
23 accounting, financial reporting, budgeting, and auditing

1 requirements and procedures and on the elimination of
2 those which involve duplication or which do not serve a
3 purpose commensurate with the costs involved.

4 (f) The Comptroller General of the United States,
5 the Secretary of the Treasury, and the Director of the
6 Bureau of the Budget conduct a continuous program for
7 the improvement of accounting and financial reporting
8 in the Government.

9 ACCOUNTING AND REPORTING PROVISIONS

10 SEC. 112. (a) The Comptroller General of the United
11 States, after consulting the Secretary of the Treasury and the
12 Director of the Bureau of the Budget concerning their ac-
13 counting, financial reporting, and budgetary needs, and con-
14 sidering the needs of the other executive agencies, shall pre-
15 scribe the principles, standards, and related requirements for
16 accounting to be observed by each executive agency, includ-
17 ing requirements for suitable integration between the account-
18 ing processes of each executive agency and the accounting
19 of the Treasury Department. Requirements prescribed by
20 the Comptroller General shall be designed to permit the
21 executive agencies to carry out their responsibilities under
22 section 113 of this part, while providing a basis for integrated
23 accounting for the Government, full disclosure of the results
24 of the financial operations of each executive agency and the
25 Government as a whole, and financial information and control

1 necessary to enable the Congress and the President to dis-
2 charge their respective responsibilities. The Comptroller
3 General shall continue to exercise the authority vested in
4 him by section 205 (b) of the Federal Property and Ad-
5 ministrative Services Act of 1949 (63 Stat. 389) and, to the
6 extent he deems necessary, the authority vested in him by
7 section 309 of the Budget and Accounting Act, 1921 (42
8 Stat. 25). Any such exercise of authority shall be consistent
9 with the provisions of this section.

10 (b) The General Accounting Office shall cooperate
11 with the executive agencies in the development of their
12 accounting systems, including the Treasury Department, in
13 the development and establishment of the system of central
14 accounting and reporting required by section 114 of this
15 part. Such accounting systems shall be approved by the
16 Comptroller General when deemed by him to be adequate
17 and in conformity with the principles, standards, and related
18 requirements prescribed by him.

19 (c) The General Accounting Office shall from time to
20 time review the accounting systems of the executive
21 agencies. The results of such reviews shall be available to
22 the heads of the executive agencies concerned, to the Secre-
23 tary of the Treasury, and to the Director of the Bureau of
24 the Budget, and the Comptroller General shall make such
25 reports thereon to the Congress as he deems proper.

1 SEC. 113. (a) The head of each executive agency
2 shall establish and maintain systems of accounting and in-
3 ternal control designed to provide—

4 (1) full disclosure of the financial results of the
5 agency's activities;

6 (2) adequate financial information needed for the
7 agency's management purposes;

8 (3) effective control over and accountability for
9 all funds, property, and other assets for which the
10 agency is responsible, including appropriate internal
11 audit;

12 (4) reliable accounting results to serve as the basis
13 for preparation and support of the agency's budget re-
14 quests, for controlling the execution of its budget, and
15 for providing financial information required by the
16 Bureau of the Budget under section 213 of the Budget
17 and Accounting Act, 1921 (42 Stat. 23) ;

18 (5) suitable integration of the accounting of the
19 agency with the accounting of the Treasury Depart-
20 ment in connection with the central accounting and
21 reporting responsibilities imposed on the Secretary of
22 the Treasury by section 114 of this part.

23 (b) The accounting systems of executive agencies shall
24 conform to the principles, standards, and related require-

1 ments prescribed by the Comptroller General pursuant to
2 section 112 (a) of this part.

3 SEC. 114. (a) The Secretary of the Treasury shall pre-
4 pare such reports for the information of the President, the
5 Congress, and the public as will present the results of the
6 financial operations of the Government: *Provided*, That there
7 shall be included such financial data as the Director of the
8 Bureau of the Budget may require in connection with the
9 preparation of the Budget or for other purposes of the
10 Bureau. Each executive agency shall furnish the Secretary
11 of the Treasury such reports and information relating to its
12 financial condition and operations as the Secretary, by rules
13 and regulations, may require for the effective performance
14 of his responsibilities under this section.

15 (b) The Secretary of the Treasury is authorized to
16 establish the facilities necessary to produce the financial re-
17 ports required by subsection (a) of this section. The
18 Secretary is further authorized to reorganize the accounting
19 functions and install, revise, or eliminate accounting pro-
20 cedures and financial reports of the Treasury Department in
21 order to develop effective and coordinated systems of ac-
22 counting and financial reporting in the several bureaus and
23 offices of the Department with such concentration of ac-
24 counting and reporting as is necessary to accomplish inte-

1 gration of accounting results for the activities of the Depart-
2 ment and provide the operating center for the consolidation
3 of accounting results of other executive agencies with those
4 of the Department. The authority vested in and the duties
5 imposed upon the Department by sections 10, 15, and 22 of
6 the Act entitled "An Act making appropriations for the
7 legislative, executive, and judicial branches of the Govern-
8 ment for the fiscal year ending June thirtieth, eighteen hun-
9 dred ninety-five, and for other purposes", approved July 31,
10 1894 (28 Stat. 162, 208-210), may be exercised and
11 performed by the Secretary of the Treasury as a part of his
12 broader authority and duties under this section and in such
13 a manner as to provide a unified system of central ac-
14 counting and reporting on the most efficient and useful basis.

15 (c) The system of central accounting and reporting
16 provided for herein shall be consistent with the principles,
17 standards, and related requirements prescribed by the Comp-
18 troller General pursuant to section 112 of this part.

19 SEC. 115. (a) When the Secretary of the Treasury
20 and the Comptroller General determine that existing pro-
21 cedures can be modified in the interest of simplification, im-
22 provement, or economy, with sufficient safeguards over the
23 control and accounting for the public funds, they may issue

1 joint regulations providing for the waiving, in whole or in
2 part, of the requirements of existing law that—

3 (1) warrants be issued and countersigned in con-
4 nection with the receipt, retention, and disbursement of
5 public moneys and trust funds; and

6 (2) funds be requisitioned, and advanced to ac-
7 countable officers under each separate appropriation
8 head or otherwise.

9 (b) Such regulations may further provide for the pay-
10 ment of vouchers by authorized disbursing officers by means
11 of checks issued against the general account of the Treasurer
12 of the United States: *Provided*, That in such case the regu-
13 lations shall provide for appropriate action in the event of
14 delinquency by disbursing officers in the rendition of their
15 accounts or for other reasons arising out of the condition of
16 the officers' accounts, including under necessary circum-
17 stances, the suspension or withdrawal of authority to
18 disburse.

19 SEC. 116. The Comptroller General is authorized to
20 discontinue the maintenance in the General Accounting Office
21 of appropriation, expenditure, limitation, receipt, and per-
22 sonal ledger accounts when in his opinion the accounting
23 systems and internal control of the executive, legislative,

1 and judicial agencies are sufficient to enable him to perform
2 properly the functions to which such accounts relate.

3 AUDITING PROVISIONS

4 SEC. 117. (a) Except as otherwise specifically pro-
5 vided by law, the financial transactions of each executive,
6 legislative, and judicial agency, including but not limited to
7 the accounts of accountable officers, shall be audited by the
8 General Accounting Office in accordance with such prin-
9 ciples and procedures and under such rules and regulations as
10 may be prescribed by the Comptroller General of the United
11 States. In the determination of auditing procedures to be
12 followed and the extent of examination of vouchers and other
13 documents, the Comptroller General shall give due regard
14 to generally accepted principles of auditing, including con-
15 sideration of the effectiveness of accounting organizations
16 and systems, internal audit and control, and related adminis-
17 trative practices of the respective agencies.

18 (b) Whenever the Comptroller General determines that
19 the audit shall be conducted at the place or places where the
20 accounts and other records of an executive agency are nor-
21 mally kept, he may require any executive agency to retain
22 in whole or in part accounts of accountable officers, contracts,
23 vouchers, and other documents, which are required under
24 existing law to be submitted to the General Accounting
25 Office, under such conditions and for such period not exceed-

1 ing ten years as he may specify, unless a longer period is
2 agreed upon with the executive agency: *Provided*, That
3 under agreements between the Comptroller General and
4 legislative and judicial agencies the provisions of this sentence
5 may be extended to the accounts and records of such agencies.

6 GENERAL PROVISIONS

7 SEC. 118. As used in this part, the term "executive
8 agency" means any executive department or independent
9 establishment in the executive branch of the Government
10 but (a) except for the purposes of sections 114, 116, and
11 119 shall not include any Government corporation or agency
12 subject to the Government Corporation Control Act (59
13 Stat. 597), and (b) except for the purposes of sections
14 111, 114, and 116 shall not include the Post Office
15 Department.

16 SEC. 119. The head of each executive agency is au-
17 thorized to designate the place or places, at the seat of
18 government or elsewhere, at which the administrative
19 examination of fiscal officers' accounts will be performed,
20 and with the concurrence of the Comptroller General to
21 waive the administrative examination in whole or in part:
22 *Provided*, That the same authority is hereby conferred upon
23 the officers responsible for the administrative examination
24 of accounts for legislative and judicial agencies.

1 TITLE II—APPROPRIATIONS

2 TRANSFERS BETWEEN APPROPRIATIONS

3 SEC. 201. After the end of the second full fiscal year
4 following the date of enactment of this Act, with the ap-
5 proval of the President, the head of each department and
6 establishment in the executive branch of the Govern-
7 ment is authorized to make transfers and adjustments
8 between appropriations within his department or estab-
9 lishment in order to promote economy and efficiency,
10 but no appropriation shall be increased or decreased thereby
11 during any fiscal year by more than 5 per centum. Reports
12 of such transfers and adjustments with the reasons therefor
13 shall be made currently to the President and the Congress
14 and shall be summarized annually in the Budget.

15 AUTHORIZATIONS FOR APPROPRIATIONS

16 SEC. 202. No requests for legislation, which, if enacted,
17 would authorize subsequent appropriations for a department
18 or establishment in the executive branch of the Government,
19 shall be transmitted to the Bureau of the Budget, to the
20 President, or to the Congress by such department or estab-
21 lishment, or by any organizational unit thereof, without the
22 prior approval of the head of such department or establish-
23 ment.

REDUCTIONS IN APPROPRIATIONS

SEC. 203. To promote economy and to reduce expenditures, the President is authorized to establish and to modify from time to time reserves from appropriations for the executive branch of the Government to the extent that he determines that the purposes intended by the Congress will be accomplished by the expenditure of amounts less than the amounts appropriated.

ADJUSTMENT OF APPROPRIATIONS FOR REORGANIZATION

SEC. 204. (a) When under authority of law a function or an activity is transferred or assigned from one agency within any department or establishment to another agency in the same department or establishment, the balance of appropriations which are determined by the head of such department or establishment to be available and necessary to finance or discharge the function or activity so transferred or assigned may, with the approval of the President, be transferred to, and be available for use by, the agency to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby

1 authorized to be established, and shall be merged with
2 funds in the applicable existing or newly established appro-
3 priation account or accounts and thereafter accounted for as
4 one fund.

5 (b) When under authority of law a function or activity
6 is transferred or assigned from one department or establish-
7 ment to another department or establishment, the balance of
8 appropriations which are determined by the President to be
9 available and necessary to finance or discharge the function
10 or activity so transferred or assigned, shall be transferred to
11 and be available for use by the department or establishment
12 to which said function or activity is transferred or assigned
13 for any purpose for which said funds were originally avail-
14 able. Balances so transferred shall be credited to any
15 applicable existing appropriation account or accounts, or
16 to any new appropriation account or accounts, which are
17 hereby authorized to be established, and shall be merged
18 with funds in the applicable existing or newly established
19 appropriation account or accounts and thereafter accounted
20 for as one fund.

21 TITLE III—REPEALS AND SAVING PROVISIONS

22 REPEALS

23 SEC. 301. The following Acts and parts of Acts are
24 hereby repealed:

1 (1) Section 10 of the Act of August 1, 1914 (38
2 Stat. 680; U. S. C., title 31, sec. 582) .

3 (2) So much of section 4 of the Act of June 20, 1874
4 (18 Stat. 109; U. S. C., title 31, sec. 583 (1)) , as reads:
5 “; and hereafter the Secretary of the Treasury shall annually
6 submit to Congress detailed estimates of appropriations re-
7 quired for said expenses;”.

8 (3) The last proviso in the first paragraph under the
9 heading “Judgments; United States Courts” of the Act of
10 April 27, 1904 (33 Stat. 422; U. S. C., title 31, sec.
11 583 (2)) .

12 (4) The last sentence of section 5 of the Act of August
13 5, 1882 (22 Stat. 256; U. S. C., title 31, sec. 583 (3)) .

14 (5) So much of the matter appearing under the heading
15 “Mints and Assay Offices” of the Act of March 4, 1911 (36
16 Stat. 1292; U. S. C., title 31, sec. 583 (4)) , as reads:
17 “, and the Secretary of the Treasury shall, for the fiscal year
18 nineteen hundred and thirteen, and annually thereafter, sub-
19 mit to Congress, in the regular book of estimates, detailed
20 estimates for the expenses of this Service”.

21 (6) So much of the matter appearing under the heading
22 “Treasury Department” in the Act of August 26, 1912 (37
23 Stat. 596; U. S. C., title 31, sec. 583 (5)) , as reads:

1 *“Provided further, That estimates hereunder shall be sub-*
2 *mitted in detail for the fiscal year 1914, and annually*
3 *thereafter”.*

4 (7) The last sentence of the paragraph under the head-
5 ing “Federal Farm Loan Board” of the Act of September
6 8, 1916 (U. S. C., title 31, sec. 583 (7)), appearing on
7 page 803 of volume 39 of the Statutes at Large; and the
8 third and last paragraph under the heading “Federal Farm
9 Loan Bureau” of the Act of March 3, 1917 (U. S. C., title
10 31, sec. 583 (7)), appearing on page 1084 of volume 39
11 of the Statutes at Large.

12 (8) The last sentence on page 48 of volume 30 of the
13 Statutes at Large, in the Act of June 4, 1897 (U. S. C.,
14 title 31, sec. 583 (8)).

15 (9) The first sentence of section 6 of the Act of March
16 3, 1919 (40 Stat. 1309; U. S. C., title 31, sec. 583 (10)).

17 (10) The last proviso under the heading “Office of the
18 Chief Signal Officer” of the Act of March 2, 1907 (34 Stat.
19 1159; U. S. C., title 31, sec. 583 (11)).

20 (11) The sixth full paragraph appearing on page 648
21 of volume 29 of the Statutes at Large in the Act of March 3,
22 1897 (U. S. C., title 31, sec. 583 (13)).

23 (12) So much of the matter following the heading
24 “Bureau of Mines” in the Act of March 3, 1915 (38 Stat.

1 858; U. S. C., title 31, sec. 583 (14)) as reads: “, estimates
2 shall be submitted specifically for all personal services re-
3 quired permanently and entirely in the Bureau of Mines at
4 Washington, District of Columbia, and previously paid from
5 lump-sum or general appropriations;”.

6 (13) The proviso at the end of the fourth paragraph
7 on page 312 of volume 37 of the Statutes at Large, in the
8 Act of August 17, 1912 (U. S. C., title 31, sec. 583 (15)).

9 (14) The third paragraph appearing on page 1082 of
10 volume 32 of the Statutes at Large, in the Act of March 3,
11 1903 (U. S. C., title 31, sec. 583 (16)).

12 (15) So much of section 12 of the Act of June 26,
13 1906 (34 Stat. 480; U. S. C., title 31, sec. 583 (18)),
14 as reads: “and he shall annually submit to Congress esti-
15 mates to cover the cost of the establishment and maintenance
16 of fish hatcheries in Alaska, the salaries and actual traveling
17 expenses of such officials, and for such other expenditures as
18 may be necessary to carry out the provisions of this Act”.

19 (16) The proviso at the end of the first full paragraph
20 on page 456 of volume 32 of the Statutes at Large, in the
21 Act of June 28, 1902 (U. S. C., title 31, sec. 583 (20)).

22 (17) The second full paragraph on page 841 of volume
23 38 of the Statutes at Large, in the Act of March 3, 1915
24 (U. S. C., title 31, sec. 583 (21)).

1 (18) The fourth full paragraph on page 2 of volume 38
2 of the Statutes at Large, in the Act of May 1, 1913
3 (U. S. C., title 31, sec. 583 (22)).

4 (19) The proviso at the end of the second paragraph
5 under the heading "Bureau of Immigration and Naturaliza-
6 tion" of the Act of March 4, 1907 (34 Stat. 1329, 1330;
7 U. S. C., title 31, sec. 583 (23)).

8 (20) The second full paragraph on page 374 of volume
9 35 of the Statutes at Large, in the Act of May 27, 1908
10 (U. S. C., title 31, sec. 583 (25)).

11 (21) So much of the last paragraph on page 396 of
12 volume 37 of the Statutes at Large, in the Act of August
13 23, 1912 (U. S. C., title 31, sec. 583 (26)), as reads:
14 "For the fiscal year nineteen hundred and fourteen and
15 annually thereafter estimates in detail shall be submitted for
16 all personal services required in the Indian Office,".

17 (22) The proviso at the end of the first full paragraph
18 on page 646 of volume 41 of the Statutes at Large, in the
19 Act of May 29, 1920 (U. S. C., title 31, sec. 584) .

20 (23) Section 3660 of the Revised Statutes (U. S. C.,
21 title 31, sec. 585) .

22 (24) Section 4 of the Act of June 22, 1906 (34 Stat.
23 448; U. S. C., title 31, sec. 586) .

24 (25) Section 4 of the Act of March 4, 1909 (35 Stat.
25 907; U. S. C., title 31, sec. 587) .

1 (26) Section 2 of the Act of June 30, 1906 (34 Stat.
2 762; U. S. C., title 31, sec. 588) ; and the proviso in the
3 first paragraph on page 1367 of volume 34 of the Statutes
4 at Large, in the Act of March 4, 1907 (U. S. C., title 31,
5 sec. 588).

6 (27) Section 3661, as amended, of the Revised Statutes
7 (U. S. C., title 31, sec. 589).

8 (28) So much of the first paragraph on page 255 of
9 volume 24 of the Statutes at Large, in the Act of August
10 4, 1886 (U. S. C., title 31, sec. 590), as reads: “: *Pro-*
11 *vided further*, That all printing and engraving for the Geo-
12 logical Survey, the Coast and Geodetic Survey, the Hydro-
13 graphic Office of the Navy Department, and the Signal
14 Service shall hereafter be estimated for separately and in
15 detail, and appropriated for separately for each of said
16 bureaus”.

17 (29) Section 3662 of the Revised Statutes (U. S. C.,
18 title 31, sec. 591).

19 (30) Section 3663 of the Revised Statutes, as amended
20 (U. S. C., title 31, sec. 594).

21 (31) Section 3664 of the Revised Statutes (U. S. C.,
22 title 31, sec. 597).

23 (32) Section 3665 of the Revised Statutes (U. S. C.,
24 title 31, sec. 598).

25 (33) The second paragraph under the heading “Rev-

1 "Revenue-Cutter Service" in the Act of March 2, 1889 (25
2 Stat. 907; U. S. C., title 31, sec. 600).

3 (34) So much of the second full paragraph on page
4 512 of volume 24 of the Statutes at Large, in the Act of
5 March 3, 1887 (U. S. C., title 31, sec. 601), as reads:
6 "That the Secretary of the Treasury shall for the fiscal year
7 eighteen hundred and eighty-seven, and for each fiscal year
8 thereafter in the annual estimates, report to Congress the
9 number of persons employed outside of the District of Co-
10 lumbia, as superintendents, clerks, watchmen and otherwise,
11 and paid from appropriations for the construction of public
12 buildings showing where said persons are employed, in what
13 capacity, the length of time and at what rate of compensa-
14 tion,".

15 (35) So much of the sixth full paragraph on page 374
16 of volume 26 of the Statutes at Large, in the Act of August
17 30, 1890 (U. S. C., title 31, sec. 601) as reads: "; and
18 hereafter the Secretary of the Treasury shall annually re-
19 port to Congress in the book of estimates a statement of
20 the expenditure of the appropriation for 'repairs and preser-
21 vation of public buildings' which shall show the amount
22 expended on each public building and the number of per-
23 sons employed and paid salaries from such appropriation".

24 (36) So much of section 1317 of the Revenue Act of
25 1921 (42 Stat. 314; U. S. C., title 31, sec. 602) as reads:

1 “; and the Secretary of the Treasury shall submit for the
2 fiscal year 1921, and annually thereafter, an estimate of
3 appropriations to refund and pay back duties or taxes
4 erroneously or illegally assessed or collected under the In-
5 ternal Revenue laws, and to pay judgments, including in-
6 terest and costs, rendered for taxes or penalties erroneously
7 or illegally assessed or collected under the internal revenue
8 laws”.

9 (37) The first paragraph on page 133 of volume
10 22 of the Statutes at Large, in the Act of July 1, 1882
11 (U. S. C., title 31, sec. 603).

12 (38) The eighth paragraph under the heading “For-
13 eign Intercourse” of the Act of May 3, 1905 (33 Stat.
14 1214; U. S. C., title 31, sec. 603).

15 (39) The last paragraph on page 48 of volume 30
16 of the Statutes at Large, in the Act of June 4, 1897
17 (U. S. C., title 31, sec. 604).

18 (40) The eighth paragraph under the heading “Under
19 the Engineer Department” of the Act of February 13, 1913
20 (37 Stat. 671; U. S. C., title 31, sec. 605).

21 (41) The sixth paragraph under the heading “Fortifi-
22 cations in Insular Possessions” of the Act of March 3, 1905
23 (33 Stat. 847; U. S. C., title 31, sec. 606).

24 (42) So much of the first section of the Act of Au-
25 gust 4, 1886 (24 Stat. 246; U. S. C., title 31, sec. 607),

1 as reads: "the estimates for the Army and Navy hos-
2 pital service shall be submitted as a part of the military
3 establishment".

4 (43) The first full paragraph on page 117 of volume
5 31 of the Statutes at Large, in the Act of April 17, 1900
6 (U. S. C., title 31, sec. 609).

7 (44) Section 3668 of the Revised Statutes (U. S. C.,
8 title 31, sec. 610).

9 (45) So much of the first paragraph on page 357 of
10 volume 20 of the Statutes at Large, in the Act of March
11 3, 1879 (U. S. C., title 31, sec. 611), as reads: "": *Pro-*
12 *vided*, That hereafter, in making his estimates for railway
13 mail service the Postmaster General shall separate the esti-
14 mate for postal-car service from the general estimates; and
15 in case any increase or diminution of service by postal cars
16 shall be made by him, the reasons therefor shall be given
17 in his annual report next succeeding such increase or
18 diminution".

19 (46) So much of the first paragraph under the heading
20 "United States Geological Survey" in the Act of March 3,
21 1887 (24 Stat. 527; U. S. C., title 31, sec. 612), as reads:
22 "; and hereafter the estimates for the Geological Survey
23 shall be itemized".

24 (47) The first paragraph on page 455 of volume 32

1 of the Statutes at Large, in the Act of June 28, 1902
2 (U. S. C., title 31, sec. 612).

3 (48) Section 4 of the Act of August 15, 1876 (19
4 Stat. 200; U. S. C., title 31, sec. 613).

5 (49) The fourth paragraph of section 26 of the Act
6 of June 30, 1913 (38 Stat. 103; U. S. C., title 31, sec.
7 613).

8 (50) The eighth full paragraph on page 1421 of volume
9 36 of the Statutes at Large, in the Act of March 4, 1911
10 (U. S. C., title 31, sec. 614).

11 (51) The eighth full paragraph on page 1206 of volume
12 33 of the Statutes at Large, in the Act of March 3, 1905
13 (U. S. C., title 31, sec. 615).

14 (52) The fourth full paragraph under the heading
15 "Government in the Territories" of the Act of July 16,
16 1914 (38 Stat. 479; U. S. C., title 31, sec. 616).

17 (53) The first full paragraph on page 492 of volume
18 39 of the Statutes at Large, in the Act of August 11, 1916
19 (U. S. C., title 31, sec. 617).

20 (54) The proviso in the first paragraph under the
21 heading "Rent in the District of Columbia" of the Act of
22 March 4, 1915 (38 Stat. 1108; U. S. C., title 31, sec.
23 617).

24 (55) The seventh paragraph on page 433 of volume

1 32 of the Statutes at Large, in the Act of June 28, 1902
 2 (U. S. C., title 31, sec. 618).

3 (56) The ninth full paragraph on page 755 of volume
 4 36 of the Statutes at Large, in the Act of June 25, 1910
 5 (U. S. C., title 31, sec. 618).

6 (57) The fourth full paragraph on page 362 of volume
 7 27 of the Statutes at Large, in the Act of August 5, 1892
 8 (U. S. C., title 31, sec. 619).

9 (58) The first full paragraph on page 764 of volume
 10 36 of the Statutes at Large, in the Act of June 25, 1910
 11 (U. S. C., title 31, sec. 620).

12 (59) Section 6 of the Act of August 1, 1914 (38
 13 Stat. 679; U. S. C., title 31, sec. 621).

14 (60) The last full sentence in the first paragraph on
 15 page 254 of volume 23 of the Statutes at Large, in the Act
 16 of July 7, 1884 (U. S. C., title 31, sec. 622).

17 (61) Section 5 of the Act of June 30, 1906 (34 Stat.
 18 763; U. S. C., title 31, sec. 626).

19 (62) The proviso at the end of the first paragraph on
 20 page 579 of volume 37 of the Statutes at Large, in the Act
 21 of August 24, 1912 (U. S. C., title 31, sec. 626).

22 (63) Section 7, as amended, of the Act of August 26,
 23 1912 (37 Stat. 626; 37 Stat. 790; U. S. C., title 31, sec.
 24 629).

1 (64) The fourth full paragraph on page 854 of volume
2 37 of the Statutes at Large, in the Act of March 4, 1913
3 (U. S. C., title 31, sec. 630).

4 (65) The proviso at the end of the seventh paragraph
5 on page 1030 of volume 31 of the Statutes at Large, in the
6 Act of March 3, 1901 (U. S. C., title 31, sec. 633).

7 (66) The second paragraph under the heading "Con-
8 tingent, Bureau of Ordnance" of the Act of July 12, 1921
9 (42 Stat. 128; U. S. C., title 31, sec. 636), down through
10 the first proviso therein.

11 (67) So much of the third paragraph under the heading
12 "Contingent Expenses, Navy Department" of the Act of
13 June 22, 1906 (34 Stat. 427; U. S. C., title 31, sec. 637),
14 as reads: "and hereafter it shall not be lawful to expend, for
15 any of the offices or bureaus of the Navy Department at
16 Washington, any sum out of appropriations made for the
17 naval establishment for any of the purposes mentioned or
18 authorized in the said foregoing paragraph".

19 (68) So much of the paragraph under the heading "In-
20 crease of the Navy, Equipment" of the Act of March 3, 1915
21 (38 Stat. 952; U. S. C., title 31, sec. 648), as reads: "and
22 beginning with July first, nineteen hundred and fifteen,
23 equipment outfits shall be charged to appropriation 'Increase
24 of the Navy, Construction and Machinery'".

1 (69) The two provisos in the paragraph under the
2 heading "Fuel and Transportation" of the Act of March 3,
3 1915 (38 Stat. 944; U. S. C., title 31, sec. 649).

4 (70) The proviso in the tenth paragraph on page 236
5 of volume 28 of the Statutes at Large, in the Act of August
6 6, 1894 (U. S. C., title 31, sec. 650).

7 (71) The fourth full paragraph on page 1175 of volume
8 34 of the Statutes at Large, in the Act of March 2, 1907
9 (U. S. C., title 31, sec. 655).

10 (72) So much of the first full paragraph on page 1391
11 of volume 42 of the Statutes at Large, in the Act of March
12 2, 1923 (U. S. C., title 31, sec. 656), as reads: "and
13 the Budget estimates for each of such appropriations shall
14 hereafter carry separately the amounts required for such
15 transportation costs".

16 (73) The proviso in the seventh full paragraph on page
17 520 of volume 32 of the Statutes at Large, in the Act of
18 June 30, 1902 (U. S. C., title 31, sec. 657).

19 (74) The proviso in lines 2 through 8 on page 710
20 of volume 36 of the Statutes at Large, in the Act of June 25,
21 1910 (U. S. C., title 31, sec. 664).

22 (75) Section 3682 of the Revised Statutes (U. S. C.,
23 title 31, sec. 674).

24 (76) Section 3683 of the Revised Statutes (U. S. C.,
25 title 31, sec. 675).

1 (77) The second full paragraph on page 1303 of volume
2 41 of the Statutes at Large, in the Act of March 3, 1921
3 (U. S. C., title 31, sec. 676).

4 (78) The proviso in lines 7 through 17 on page 203
5 of volume 20 of the Statutes at Large, in the Act of June
6 19, 1878 (U. S. C., title 31, sec. 677).

7 (79) Section 3684 of the Revised Statutes (U. S. C.,
8 title 31, sec. 681).

9 (80) Section 6 of the Act of May 30, 1908 (U. S. C.,
10 title 31, sec. 683).

11 (81) So much of the paragraph under the heading
12 "Pay of Assistant Custodians and Janitors" on pages 1153
13 and 1154 of volume 31 of the Statutes at Large, in the Act
14 of March 3, 1901 (U. S. C., title 31, sec. 684), as reads:
15 " , and hereafter no other fund appropriated shall be used
16 for this service".

17 (82) The second paragraph under the heading "United
18 States Commerce Court" of the Act of March 4, 1911 (36
19 Stat. 1234; U. S. C., title 31, sec. 687).

20 (83) Section 26 of the Act of June 30, 1913 (38 Stat.
21 103; (U. S. C., title 31, sec. 688).

22 (84) Section 400 of the Second Deficiency Appropria-
23 tion Act, 1947 (U. S. C., title 31, sec. 694).

24 (85) Section 607 of the Act of June 30, 1945, as
25 amended (59 Stat. 304; U. S. C., title 5, sec. 947).

1 (86) Section 3 of the Act of March 3, 1875, as
2 amended (18 Stat. 370; U. S. C., title 31, sec. 624).

3 (87) So much of the Act of March 26, 1934, as
4 amended (48 Stat. 466; U. S. C., title 5, sec. 118c), as
5 reads: "with the Budget estimates".

6 (88) So much of the paragraph under the heading
7 "Department of State" in the Act of August 5, 1909 (36
8 Stat. 119; U. S. C., title 5, sec. 157), as reads: "and
9 estimates for further appropriations hereunder shall include
10 in detail salaries for all persons to be employed and paid
11 in the Department of State at Washington, District of
12 Columbia".

13 (89) The last proviso under the head "Working Capi-
14 tal Fund" in the Act of July 12, 1943 (57 Stat. 393;
15 U. S. C., title 5, sec. 558a).

16 (90) So much of section 17 of the Act of May 22,
17 1920, as amended (41 Stat. 620; U. S. C., title 5, sec.
18 730), as reads: "annually to the Bureau of the Budget".

19 (91) Section 31 of the Act of September 7, 1916, as
20 amended (39 Stat. 749; U. S. C., title 5, sec. 782).

21 (92) The last sentence of section 35 of the Act of
22 September 7, 1916, as amended (39 Stat. 749; U. S. C.,
23 title 5, sec. 785).

24 (93) So much of section 1 of the Act of October 1,
25 1890 (26 Stat. 653; U. S. C., title 10, sec. 214), as

1 reads: "and the Signal Corps of the Army shall remain a
2 part of the Military Establishment under the direction of
3 the Secretary of War, and all estimates for its support shall
4 be included with other estimates for the support of the
5 Military Establishment".

6 (94) The last proviso of section 4 of the Act of March
7 12, 1926 (44 Stat. 206; U. S. C., title 10, sec. 1597).

8 (95) So much of section 1 of the Act of June 12,
9 1917, as amended (40 Stat. 153; U. S. C., title 16, sec.
10 452), as reads: "and the Secretary of the Interior is directed
11 to submit, for the fiscal year nineteen hundred and nineteen
12 and annually thereafter, estimates of the amounts required
13 for the care, maintenance, and development of the said
14 parks."

15 (96) So much of section 1 of the Act of July 24, 1876,
16 as amended (19 Stat. 99; U. S. C., title 24, sec. 278), as
17 requires estimates for the care and maintenance of the na-
18 tional military cemeteries to be submitted annually by the
19 Director of the National Park Service.

20 (97) So much of section 1 of the Act of January 24,
21 1923 (42 Stat. 1208; U. S. C., title 31, sec. 12), as reads:
22 "The aggregate of all estimates of appropriations from the
23 'reclamation fund' contained in the Budget for any fiscal
24 year shall be included in the totals of the Budget for that
25 year."

1 (98) The second paragraph under the heading "Pay,
2 Miscellaneous" of the Act of March 3, 1909 (35 Stat. 754;
3 U. S. C., title 31, sec. 609a).

4 (99) The third paragraph under the heading "Office
5 of the Fourth Assistant Postmaster General" of the Act of
6 June 9, 1896 (29 Stat. 316; U. S. C., title 31, sec. 610a).

7 (100) The last proviso under the heading "National
8 Home for Disabled Volunteer Soldiers" of the Act of October
9 2, 1888, as amended (25 Stat. 543; U. S. C., title 31,
10 sec. 719).

11 (101) Section 119 of the Act of June 3, 1916 (39
12 Stat. 213; U. S. C., title 32, sec. 25).

13 (102) So much of the fourth full paragraph on page
14 558 of volume 39 of the Statutes at Large in the Act of
15 August 29, 1916 (U. S. C., title 34, sec. 504), as reads:
16 "and the Secretary of the Navy shall each year, in the
17 annual estimates, report to Congress the number of persons
18 so employed, their duties, and the amount paid to each".

19 (103) The last proviso in the third paragraph on page
20 377 of volume 37 of the Statutes at Large in the Act of
21 August 23, 1912 (U. S. C., title 39, sec. 769).

22 (104) Section 27 of the Act of January 12, 1895, as
23 amended (28 Stat. 604; U. S. C., title 44, sec. 37).

24 (105) The eighth full paragraph on page 382 of

1 volume 35 of the Statutes at Large in the Act of May 27,
2 1908 (U. S. C., title 44, sec. 37) .

3 (106) The last paragraph under the heading "Govern-
4 ment in the Territories" in the Act of June 20, 1874 (18
5 Stat. 99; U. S. C., title 48, sec. 1456) .

6 SAVING PROVISIONS

7 SEC. 302. (a) The omission of any provision of law
8 from the provisions of law repealed under section 301
9 shall not be construed as limiting the application of section
10 201 or 216 of the Budget and Accounting Act, 1921, as
11 amended, or the powers of the President thereunder, or as
12 evidencing an intent that such provision was not to be super-
13 seded by such sections.

14 (b) Whenever any law authorizes expenditures for a
15 particular object or purpose to be made from an appro-
16 priation item referred to in such law by the specific title
17 theretofore used for that appropriation item in the appro-
18 priation Act concerned, and thereafter such title is changed
19 or is eliminated from such appropriation Act, expenditures
20 for such object or purpose thereafter may be made from any
21 corresponding appropriation item.

22 (c) Except where authority for performance of a func-
23 tion is specifically repealed in section 301, none of the pro-
24 visions of such section shall be construed as affecting the

1 jurisdiction or responsibility of any agency or officer of the
2 Government over any function or organizational unit referred
3 to in such section.

4 (d) Existing laws, policies, procedures, and directives
5 pertaining to functions covered by this Act, and not incon-
6 sistent herewith or repealed hereby, shall remain in full
7 force and effect unless and until superseded, or except as
8 they may be amended, under the authority of this Act or
9 under other appropriate authority.

81ST CONGRESS
2^D Session

H. R. 9038

A BILL

To authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes.

By Mr. KARSTEN

JULY 5, 1950

Referred to the Committee on Expenditures in the
Executive Departments

recommended by the Hoover Commission; second, the utilization of the taxing power to provide maximum industrial incentives for owners, managers, and workers; third, vigorous enforcement of the antitrust laws to curb monopoly capital; fourth, intelligent conservation of our national resources; and fifth, long-range subsidies through public works and projects designed to stimulate new economic opportunities.

None of these measures will avail, however, if the present inflationary tactics of this Administration continue. These tactics have placed more dollars in people's hands—but the dollars are worth far less. This soft money policy constitutes in effect a cruel tax on savings and life insurance. In addition, swollen expenditures by the Federal Government, resulting in deficits even in prosperous times, have piled on every citizen an enormous burden of taxation, much of it concealed.

The Republican Party has always stood for a sound dollar and should now reiterate this stand. It is the obligation of the Republican Party to show that profligate fiscal policies, while temporarily gratifying, in the end inhibit growth and fool the people.

The Fair Dealers claim that we are faced with the choice of damaging our system through excessive taxation or borrowing against the future by unbalancing the budget to provide the funds necessary for defense and aid to other countries to meet the threat of Communist aggression. I emphatically hold that to meet this problem, and at the same time to give the people the services to which they are entitled, it is imperative that there be instituted administrative economies, including the recommendations called for by the Hoover Commission, to balance the budget.

Deficit spending may be useful for the purpose of counterbalancing the economic cycle, and to this end the party should begin to plan for public works that could profitably be undertaken if the cycle were to turn downward.

It has long been the policy of this administration to maintain itself in power by granting concessions to special groups of citizens. The Fair Deal has thus become a loosely knit alliance between such groups, each fighting for its own interest at public expense. It is sometimes said that in order to win office Republicans should try to outbid the Fair Deal. Aside from the fact that such a course would be politically futile, it is repugnant to the ideals and principles of good republicanism.

The real hope of the party with regard to this issue lies in an entirely different course. As already indicated, it must stand or fall on the proposition that the majority of Americans are individuals capable of responding to the challenge of modern citizenship. The Republican Party must dedicate itself wholeheartedly to the doctrine that the national interest is paramount to self-interest. It should constantly point out that special concessions by Government to one group have to be paid for by all other groups. Consideration of justice or of economic growth may well lead to spe-

cial concessions, but in this event all groups should have a voice in the decision. The welfare of the whole must be the dominant consideration.

Organized labor is one of the groups in our society that raises a problem under this heading. This problem centers around the fact that the right of collective bargaining is an elementary social right. Like other rights, it is subject to abuse—and has in fact been abused. Yet the abuses cannot be corrected merely by devising punishments or exercising the police power, both of which, under certain circumstances, may constitute threats to the very existence of the right. A punitive attitude will never solve the labor problem.

The problem raised by collective bargaining is essentially a problem of responsibility, and the Republican Party can solve it only by thinking of it in those terms. The primary responsibility for industrial peace, in other words, should be placed squarely upon owners, managers, and workers; and legislation should be framed defining the responsibilities of each with due regard for the right of the community to protect itself.

It is naturally necessary to provide due punishment where those in power fail to live up to their responsibilities; yet in a free republic the assumption must be made that responsibilities, once clearly defined, will be accepted by the overwhelming majority, who will thus protect the essential rights involved. This principle, indeed, has been applied for years in the enforcement of the antitrust laws, where the primary responsibility for avoiding practices in restraint of trade has been placed upon private ownership. The concept of responsibility, as applied by those laws to industrial corporations, is also applicable to trade unions. The Republican Party must guard labor's rights, as it did in the Republican-sponsored Norris-La Guardia Act, but it must at the same time insist upon the fulfillment of their public responsibilities by all the bargaining parties—labor, management, and ownership. In addition, the party should proceed to devise a system of incentives that will encourage peaceful bargaining and the profitable participation of labor in the fruits of increased productivity.

The farmers are another group that needs special attention. They offer both a problem and an opportunity. The problem arises from the fact that the farmer cannot suddenly adjust his production to meet the requirements of supply and demand, the way other types of producers can. The opportunity arises from the fact that the farmers, when prosperous, provide the best per capita market for the products of our industrial plants. A steep drop in farm purchasing power will be felt to an aggravated degree by the entire national economy. By the same token, prosperous farmers mean a prosperous country.

The profligate agricultural policy of the Fair Deal is now resulting in diminishing returns for the farmer. In their eagerness to buy farm votes, regardless of the ultimate effect upon the national economy, or on the farmer himself, the Fair Dealers have brought millions of

farmers to the point of controlled production and lower income. The damage has already been done. There is no completely painless way to undo it.

Farm supports cannot be dropped now. Any attempt to abandon them suddenly would be disastrous. On the other hand, the present humiliating policy of forcing the farmer to be dependent upon Government hand-outs for his income cannot go on indefinitely. There is dire need, therefore, for the creation of a new long-range policy that will undertake to maintain the prosperity of the American farmer through positive measures that will have a constructive, rather than a destructive, effect upon the economy.

Such a policy would begin with the installation of income-producing programs—such as, for example, programs for broadening consumption, cooperative endeavors, better financing, constructive soil conservation, new industrial uses for farm products, more intelligent marketing and distribution, and so forth. All such programs should be formulated, insofar as possible, by the farmer himself, who, like other Americans, should be encouraged to exercise responsibility for his own welfare in relation to the welfare of the whole. Insofar as these positive measures are unable to meet the requirements of the farmer, price supports should be used to supplement them. But a realistic program of positive measures will enable us to reduce price supports to a minimum.

In the meantime, as a means of working out of a dilemma into which the present administration has plunged the farmer, the price-support program should be so directed as to encourage the production of commodities for which a demand exists and discourage the production of commodities now in heavy surplus. This means a flexible-support program, with a minimum floor below which prices will not be permitted to fall. Farm problems will not be solved by supporting high prices for uneconomic production, but only by assisting the production of those commodities that will strengthen farm income and the national economy.

The Fair Deal solution to the farmers' problems has been to give more power to government. The Republican solution must be: "Prosperity based upon freedom for the farmer and a minimum of control."

During the last decade of the nineteenth century the Republican Party developed a strong internationalist policy which laid the foundation for the world leadership that this country has now at length achieved.

The Republican Party must now carry on its own internationalist tradition by a full acceptance of the responsibility of the United States as the leading nation of free men. It must insist on world-wide policies to meet world-wide dangers. It should emphasize that, if our foreign policy is to succeed in preserving both peace and freedom, then its prime objective must be to support and strengthen the United Nations.

The active participation of the party in a bipartisan foreign policy during re-

cent years is an achievement in which it can take great pride. I endorse the continuance of such a policy. This does not mean, however, that Republicans must passively accept without argument everything proposed by this administration. It means simply, first, that Republicans should pledge themselves to consider matters of foreign policy from a standpoint of patriotism, not partisanship; and second, that certain Republican leaders who have knowledge of international matters should be given a voice in the formation of all policies to be applied beyond our shores.

The Republican Party should apply abroad the same principle of self-help that it applies to domestic issues. From its great store of knowledge regarding industry and business it should devise practical programs that will enable other nations to help themselves—to the greatest possible benefit to all. And the great humanitarian traditions of the party should be continued through a policy of hospitality to the exiled and oppressed.

The nature of United States responsibilities in the Pacific was first grasped, around the turn of the century, by the Republican Party. In recent years the party has witnessed the disintegration under the present administration of wise and long-established policies toward China, with the result that this traditional friend of the American people has been abandoned to communism. The situation in the Far East has now deteriorated to such a point that it can only be repaired on a long-range basis. The Republican Party should develop a new and positive far-eastern policy. We should give assurance to the people of Asia that the United States has no intention of intruding into their affairs in a dominating or possessive manner. Another constructive move might be to set up a Pacific council, into which we could invite the Philippines, southern Korea, Indonesia, Thailand, Indochina, Australia, New Zealand, India, Pakistan, and, eventually, Japan. Such a council would show the people of Asia that we do not intend to act unilaterally in that area, but would at the same time assure them of our assistance in the maintenance and development of their freedom.

All nations in foreign affairs are now overshadowed by the potential conflict, terrifying in its implications, between the United States and Russia. It is not my intention to attempt to set forth a detailed policy on this matter. Two general principles, however, must provide the base for whatever policy is developed. We should first remember that American policy will not be respected unless we are adequately armed; and therefore, while we shall want to hold our military strength at a minimum, it is necessary to assure ourselves that this minimum is adequate and is being effectively implemented by the Secretary of Defense.

On the other hand, however, since Communist aggression is primarily political in character, we cannot defend ourselves against it by purely military means. Further defense must be found in the power of ideas. This requires that we ourselves must be loyal to the ideas

and ideals of our Republic. We must never forget that in international matters principles are at stake, and that these principles eventually shape the destiny of the world, for war or peace, for slavery or freedom. Every time the United States acts out of mere expediency we lose ground and war is brought closer to us. The real power of the United States is moral power. We must, therefore, define our principles with complete clarity and then stand firmly upon them. And we must eventually implement them economically. Through liberal trade policies, the encouragement of the flow of private capital, and the building of hope everywhere, we should make democracy work so well that political aggression against it will become impossible.

As already stated, this declaration has not attempted to propose specific legislation. That is a task—and a great one—that still lies ahead of a revitalized Republican Party. My aim has been, rather, to set forth a fundamental point of view, which has its roots in historical Republican policies, and which I believe to be capable of inspiring the American people to new achievements, both social and economic.

Yet the essence of this point of view is neither economic nor social, but moral. It is my belief that the American people, as individuals, are able and willing to make moral judgments regarding their affairs. It is my belief that in such judgments, in the last analysis, lies the real power of America, and the real hope of freedom everywhere. My opposition to those, who would supplant the individual by an all-powerful government, lies precisely here. Moral decisions originate with individuals, not with Government bureaus. The concept that government is responsible for everything, whether social or economic, deprives the common man of the opportunity, and hence eventually, of the ability to make moral judgments for himself. It will therefore, in the long run, corrode the fibers of American society. This, rather than any particular legislative enactment, is what opens the way to statism.

I take my ultimate stand on the willingness and ability of the overwhelming majority of Americans to make moral judgments. It is the task of the Republican Party to explain and implement these Republican principles, founding upon them a new political era.

Bill Introduced To Simplify Governmental Accounting and Auditing Methods and Procedures

EXTENSION OF REMARKS
OF

HON. FRANK M. KARSTEN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 5, 1950

Mr. KARSTEN. Mr. Speaker, I am today introducing the budget and accounting procedures bill of 1950 to authorize the President to determine the

form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures.

The Hoover Commission in its report last year advocated a general overhaul of Federal fiscal procedures. The present accounting and auditing methods which are now controlled by the Budget and Accounting Act of 1921 are obsolete. They do not provide the Government nor the taxpayer with accurate and complete information as to revenue received and expenditures made by the Government in connection with its operations.

This bill provides a complete framework for bringing the budgeting, accounting, and auditing procedures of the Government up to date. It will set up an accounting system patterned after sound commercial practices and will provide better controls over all Federal funds.

Title I on budgeting and accounting contains two parts. The first, on budgeting, clarifies the Budget and Accounting Act to emphasize authority for the preparation of a performance budget with financial information in terms of functions and activities of the Government, and a segregation of operating and of capital and investment programs. Technical amendments to the provisions of the Budget and Accounting Act are made in aid of the objective to develop budgetary information in the manner best suited to present the financial program of the Government. Increased emphasis is placed by the bill on the development by the President through the Bureau of the Budget of plans for the organization, coordination, and management of the executive branch with a view to efficient and economical service, and improvements in the gathering, compiling, analysis, and publication of statistical information by the executive branch. The authority thus granted would supplement existing authority relating to these matters.

Part 2 of title I comprises a complete Accounting and Auditing Act of 1950. This legislation embodies the principles and objectives of the cooperative program which is being conducted under the leadership of the Comptroller General of the United States, the Secretary of the Treasury, and the Director of the Bureau of the Budget to improve the Government's accounting, financial reporting, and auditing. The provisions of this part will also facilitate the attainment of the budgetary improvements provided for elsewhere in the bill. This part spells out clear-cut responsibilities and duties while at the same time providing for their exercise in proper relationship and cooperation toward the common goal of making accounting, financial reporting, budgeting, and auditing of the greatest value.

The careful allocation of responsibilities is designed to produce an integrated accounting system for the Government as a whole. Emphasis is placed on the development and use of agency accounting systems as the foundation for financial control and the production of necessary financial information. Provision is made for progressive improvement and simplification of the present accounting

of the Government and a specific basis is laid for more comprehensive and selective performance of the independent audit by the General Accounting Office to the fullest extent practicable at the site of operations. This legislation will provide flexibility that is urgently needed for putting into effect more economical and efficient accounting and auditing procedures in order to obtain maximum benefits from work now going forward under the joint accounting program and lays a solid foundation for carrying out the policies and objectives of the program.

Title II provides for certain transfers between appropriations within a 5 percent limit in departments in order to promote economy and efficiency, and requires prior approval of department heads before the submission to the Bureau of the Budget, the President, or the Congress by departments of requests for legislation authorizing subsequent appropriations. It also includes provisions authorizing the President to set up reserves from appropriations for the executive branch when he determines the purposes intended by the Congress will be accomplished by lesser expenditures. Further authority is provided for transfer of balances of appropriations incident to reorganizations in the executive branch.

Title III repeals over a hundred acts or parts of acts relating mainly to the compilation of the estimates and the furnishing of certain financial data, most of which have been superseded or rendered outmoded by other existing provisions of law, particularly the Budget and Accounting Act of 1921.

I strongly commend this legislation to the attention of every Member and wish to express the hope that early action will be taken on the measure in order that the budgeting, accounting, and auditing of the Government can be simplified, modernized, and made effective to the maximum extent possible to provide the Congress and the President the information and the means of control they need for management of our gigantic Federal fiscal structure, as well as giving the taxpayers the information they are entitled to as to where their money goes.

Flash Flood

EXTENSION OF REMARKS OF

HON. WALTER E. BREHM

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 5, 1950

Mr. BREHM. Mr. Speaker, so many people have contacted me and so many statements have been made regarding the disastrous flood which struck Muskingum, Morgan, and Perry Counties a couple of weeks ago, that it seems fitting and proper that a full detailed report be submitted regarding this particular disaster as well as to set forth the procedure which is followed in times like this.

When a disaster of this kind strikes the first relief agency on the scene is the American Red Cross and occasionally the Salvation Army.

Next the Army engineers appear on the scene. They have an emergency fund which may be used in situations of this kind. However, they do not have any money for direct grants or gifts to the victims of the disaster.

The next agencies usually appearing are the Soil Conservation and the Forestry Service, which deals with the problems not dealt with by either the Red Cross or the Army engineers, but is confined mostly to erosion, and so forth.

The American Red Cross notifies the RFC that a real disaster area exists and the RFC does as it has been doing since it instituted its program of disaster loans in 1937, sends its representatives into the area to receive applications for rehabilitation loans. Here again no direct grant or gift is made to the people. In this case the RFC, following the recommendations of the Red Cross, declared Muskingum, Morgan and Perry Counties to be a disaster area.

The Farmers Home Loan will also make disaster loans but only to farmers who may have suffered loss. A good many years ago they also had a fund from which they could make direct gifts or grants to farmers for direct relief. However, this fund no longer exists, so that they now fulfill only the same function as the RFC, except that they make loans only to the farmers, while RFC covers all classes.

Therefore after seeing that the Red Cross, the Army Engineers, the Forestry and Soil Conservation Service, the RFC and the Farmers Home Loan all had representatives on the scene and were doing everything within their power to relieve distress and suffering the only remaining step which could be taken in an effort to render direct financial benefit to the victims of the disaster, was for me to introduce a resolution stating that it was the sense of the Congress that President Truman make available immediately \$25,000 from his emergency fund to the city council of Crooksville for them to use as they saw fit. This emergency fund of the President is the only Federal fund available from which direct gifts of this kind may be made. This fund was set up by Congress during the war in order that the President might have money available for just such an occasion as this.

The Bureau of the Budget informed me that this fund still contained \$60,000, and it was from this amount that I hoped the President would make available the \$25,000 called for in my resolution. The new appropriation bill continues the emergency act and also replenishes it with \$1,000,000 in cash.

Following the introduction of this resolution I directed a letter to President Truman calling upon him to make this money available to the city council. Knowing that the President would wait to receive a recommendation from the General Services Administration before taking any action, I also contacted this agency setting forth the facts and requesting them to make an on-the-spot

inspection. I am now in receipt of a letter from the General Services Administration, signed by Mr. Russell Forbes, Acting Administrator, in which he states, in part:

We have detailed one of our field engineers to look into the situation at Crooksville and, accordingly, will be familiar with conditions should we be asked for a recommendation on extending financial assistance to this unfortunate community.

I can now only hope that President Truman will call upon the General Services Administration for their report, and that based on their favorable recommendation he will make this \$25,000 available at once.

Aside from direct relief, the other step which could be taken was for me to introduce a resolution calling upon the Public Works Committee of the House of Representatives to grant authority to the Army engineers to make a resurvey of this area and to include Crooksville in this new survey and submit their recommendations back to the committee. I took this action immediately following the flood.

A comprehensive survey and report on this area was previously made by the Army engineers, but it did not include Crooksville. Colonel Hiatt, of the Army engineers, informs me that this report was in 1943 or 1944 and was based on the highest flood up to that time. The flood in this area on the 16th of last month was higher by 2 feet than any ever experienced in this area.

Therefore, since the immediate relief has been dealt with, and since President Truman has been requested to make immediately available money from the only fund for this type of service, and since the Army engineers have been instructed to make a complete survey and report their recommendations to prevent a future disaster of this kind, it would seem that everything which can be done at this time has already been achieved.

Naturally I intend to continue working with Senators TAFT and BRICKER, as well as Congressman SECREST, in an effort to guarantee passage of legislation looking toward the construction of the flood wall in the Roseville area already recommended, and also for the inclusion of any and all other construction which the Army engineers may recommend to protect Crooksville and the contingent areas from a recurrence of another devastating catastrophe.

**The Good Old U. S. A.: The Best Country
With the Best Government on Earth—
Let's Keep It That Way**

EXTENSION OF REMARKS OF

HON. COMPTON I. WHITE

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 30, 1950

Mr. WHITE of Idaho. Mr. Speaker, if our country is to continue to enjoy the blessings of good government, the voters

should not neglect their privilege to vote in the primaries.

ADVICE TO VOTERS EVERYWHERE

Do your part to give our country good government.

Be sure and vote in primaries. Go to the polls and pick out the men and women you want to serve you in public office.

It has taken a long time and much effort to get the privilege to select the candidates in either party you want to have the right to vote for in the general election.

Now that you have that right, do not sacrifice it by neglect.

Do your part to give our country good government.

A Fairy Tale—Or Is It?

EXTENSION OF REMARKS

OF

HON. ROY O. WOODRUFF

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 3, 1950

Mr. WOODRUFF. Mr. Speaker, today I received a letter from the Honorable Frank Crowther, a former long-time and distinguished Member of this House from the great State of New York. He served here for 24 years, each of which was a notable one. Since his retirement he has lived in Pueblo, Colo. In his letter he enclosed an article entitled "A Fairy Tale—Or Is It?" by Dr. H. E. Coakley, of Pueblo.

I offer this splendid article for the RECORD and commend it to the thoughtful consideration of the Members:

A FAIRY TALE—OR IS IT?

Once upon a time there was a house. It was a very lovely house, and, having been constructed over a period of many, many years by craftsmen who knew their business, it was a very well built house indeed and stood sturdy and stanch against the elements.

Its timbers were sound and substantial; its walls were built solidly and true, and an honestly constructed roof kept out the rain, the sleet and the snow. Proudly upholding the entire edifice was a massive foundation of well-laid brick.

Each solid integral part did its share and it seemed that the structure must endure forever.

Then came an organizer. Outwardly his appearance was kindly and benign and his voice was suave and persuasive. He spoke softly to the little bricks who stood shoulder to shoulder in the immovable foundation.

"My friends, why are you satisfied to occupy so lowly a position in this magnificent structure?"

And the answer came, "We are doing that for which we were intended and which we best know how to do."

And the suave persuasive voice said, "But you are being imposed upon most grievously. Here are you, supporting upon your shoulders the crushing weight of these idlers above you. Look at the roof! It lies basking in the sun, enjoying the fruits of your labor which makes its existence possible. You are equally entitled to the life of ease it enjoys at your expense."

To this, one guillible little brick replied, "You are right; why should we who do all the work be imposed upon? I, too, would like to be a part of the roof."

When the organizer extracted the little brick from the foundation and tossed it upon the roof. There it lay, freed from its burden and reveling in the sunshine, forgetting that its place in the sun threw an added burden upon its brethren.

Soon it called loudly to its fellows, "You are fools to continue supporting the weight of this structure. Let our good friend toss you too up where life is easy and toil and sweat are no more."

So more and more bricks from the foundation joined their brother on the roof and very soon it became a joyous gathering of those emancipated from the bondage of labor.

Ere long, timbers began to creak, cracks appeared in the heretofore impregnable walls and ever so gently the roof began to sag. Did this deter the remaining remnants of the foundation from their rapid ascent to the roof? Not in the least.

Finally a vagrant breeze gently nudged the undermined, top-heavy building and, with a great crashing and rending of timbers and masonry, the once beautiful and useful dwelling crumbled into dust.

H. E. COAKLEY, M. D.

PUEBLO, COLO., November 22, 1949.

Indian Law and Order

SPEECH

OF

HON. FRANCIS CASE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 3, 1950

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H. R. 7786) making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes.

Mr. CASE of South Dakota. Mr. Chairman, we have just approved the item in the appropriation bill which provides funds for the general activities and services of the Bureau of Indian Affairs.

In this connection, I wish to point out the need for an improvement in the administration of law and order on the average Indian reservation and particularly on the Pine Ridge Reservation in South Dakota.

I am told that so bad have conditions become that very few residents, white or Indian, within the boundaries of the reservation, feel safe to go out at night and particularly to attend dances or other social gatherings after dark.

There has been a complete breakdown of police protection. Within the past few years, several murders have been committed without charges being filed against suspects, much less convictions.

Delegations have appealed to the Governor of the State, but dispatch of representatives from the State justice department have been met by the statement that they lack jurisdiction on Indian lands. Now a movement is under way to create a sort of vigilantes organization among the people for their own protection.

The situation seems to be the result in part of trying to turn the problem of law and order over to the so-called law and order set-up under the Indian reorganization act and in part the result

of inadequate appropriations or improper allocation of funds.

Whatever the cause, the situation merits a definite investigation by the Bureau of Indian Affairs, and although I have previously discussed it with officials of the Bureau, I wish to make it a matter of public record in connection with the passage of these appropriations.

UAW-CIO Backs National Health Insurance—Calls Voluntary Plans Inadequate

EXTENSION OF REMARKS OF

HON. ANDREW J. BIEMILLER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 5, 1950

Mr. BIEMILLER. Mr. Speaker, with permission to revise and extend my remarks in the RECORD, I attach a significant address given by Harry Becker, director of the UAW-CIO social security department, before the conference of presidents and officers of the American Medical Association in San Francisco June 25. Titled "The Problem of Prepaid Medical Care," it is a logical and well-stated declaration of the reasons labor, generally, and the UAW-CIO specifically, support national health insurance and the rest of the President's national health program. Becker, an experienced expert in the analysis of the inadequacies of voluntary health insurance systems, rejects voluntary health schemes as a satisfactory solution to union health problems. He likewise warns the doctors that their association with organizations like the Committee for Constitutional Government tends to make large segments of our population mistrust the motives of organized medicine.

THE PROBLEM OF PREPAID MEDICAL CARE

Prepaid medical care is one of the major public policy questions before the American people today. Since it has become an issue of public policy, it has become a political issue—as it properly should. For in our democratic society the right to make political decisions on matters that concern all of us distinguishes our form of government from the kinds of government that exist today in many other parts of the world. There are now 10 different bills dealing with health insurance before the Congress. Member from both sides of the aisle have signed these bills—some of which have bipartisan sponsorship. At least one out of every five Senators has signed his name to one or more of these pending health-insurance measures.

It is no cause for alarm that prepaid medical care has become a political issue.

In resolving this issue application of the democratic process is as fundamental as the decision that is reached. The physicians of America as well as the general public have a common stake in the free and honest application of our democratic process in solving this issue of prepaid medical care.

We are spending billions of dollars to protect our form of government and to demonstrate its meaning to other peoples of the world. It is futile to appropriate enormous sums of money for these purposes if we cannot resolve satisfactorily at home, within the social and political framework of our society,

BUDGET AND ACCOUNTING PROCEDURES ACT OF 1950

JULY 12 (legislative day, JULY 1), 1950.—Ordered to be printed

Mr. McCLELLAN, from the Committee on Expenditures in the Executive Departments, submitted the following

REPORT

[To accompany S. 3850]

The Committee on Expenditures in the Executive Departments, to whom was referred the bill (S. 3850) to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE

Title I of the bill provides for modernized budget procedures to supplement the Budget and Accounting Act of 1921, and implements a joint and continuous program designed to bring about improvement of accounting and financial reporting in the Government, by the Comptroller General of the United States, the Secretary of the Treasury, and the Director of the Bureau of the Budget.

"The bill makes ample provision for a completely revised and modernized performance budgeting program, and for full disclosure of the results of Federal financial operations and for effective control over income, expenditures, funds, property, and other assets.

Part II of title I, in authorizing the establishment of a balanced and coordinated accounting program, (a) requires the Comptroller General to prescribe the principles, standards, and related requirements for accounting; to provide a basis for integrated accounting for the Government, full disclosure of the results of financial operations of each executive agency and the Government as a whole, and

financial information and control necessary to enable the Congress, the President, and agency heads to discharge their respective responsibilities; (b) establishes responsibility in the executive branch for maintenance of accounting systems and the production of financial reports on the operations of the executive agencies with centralized financial reporting vested in the Secretary of the Treasury; and (c) centers in each department and agency authority and responsibility to establish and maintain its own accounts under the general principles, standards, and related requirements established by the Comptroller General of the United States.

The auditing of the Federal Government's financial transactions will continue to be conducted by the Comptroller General of the United States as an agent of the Congress, under provisions permitting more comprehensive and more selective audits, to be developed in line with improved agency accounting systems, internal controls, and related administrative practices.

Title II relates to the control of appropriations and would authorize the head of each department and establishment in the executive branch of the Government, with the approval of the President, to make transfers and adjustments between appropriations; it is provided, however, that no appropriation shall be increased or decreased thereby during any fiscal year by more than 5 percent, with reports of such transfers and adjustments, with the reasons therefor, to be made currently to the President and the Congress and summarized annually in the budget.

This title also requires prior approval by the heads of such departments or establishments of any request for legislation which would authorize subsequent appropriations, and would specifically authorize the President to establish and modify budgetary reserves under appropriations for the executive branch to the extent that he determines the purposes intended by the Congress will be accomplished by the expenditure of amounts less than the amounts appropriated. This title also provides for adjustments of appropriations made necessary by reorganizations.

Title III contains 106 provisions for repeal, in whole or in part, of existing laws which are obsolete, or would be in conflict with the provisions of the subject bill. Of this total, 89 are either inconsistent with or superseded by the Budget and Accounting Act or other existing laws; 13 have been superseded by or modified by appropriation acts, or can be more appropriately provided for on an annual basis, in the texts of the various appropriation acts rather than in permanent law; 3 repeal laws calling for reports having only doubtful value; and one (No. 85), repealing existing requirements of law relating to personnel ceilings and limitations, is considered by the committee to be unnecessary under existing budgetary controls and appropriation procedures. A general summary and analysis of each of the above categories of repeals is included in the section-by-section analysis hereinafter, with further details relative to individual repealers provided in the section titled "Changes in Existing Law."

This section also includes saving provisions made necessary to insure the continuation of authority granted under the provisions of the Budget and Accounting Act of 1921 which may be in conflict with other provisions of law which are not specifically repealed.

HOOVER COMMISSION RECOMMENDATIONS¹

The joint accounting program implemented by the provisions of S. 3850 was first urged by the Senate Committee on Expenditures in the Executive Departments in 1947, and was started nearly 2 years before the Commission on Organization of the Executive Branch of the Government submitted its report to Congress.

The Hoover Commission developed an extensive and constructive program covering budgeting, accounting, and related subjects. A great deal of progress has been made in adopting the various facets of that program. The following analysis indicates progress made on the 13 recommendations in the Hoover Commission Report on Budgeting and Accounting¹ and shows that they have either already been achieved in whole or in part, or are covered by provisions of S. 3850. The single exception is recommendation No. 10 dealing with authority to prescribe accounting procedures.

Recommendation No. 1.—The bill adopts a performance budget.

Recommendation No. 2.—Progress includes completion of a survey started by the Senate Committee on Expenditures in the Executive Departments for the improvement of budgeting and accounting methods of the Federal Government; provides for adjustments in the appropriation structure to conform to performance budgeting and to promote economy and efficiency.

Recommendation No. 3.—The bill provides for a segregation of budget estimates of operating, and of capital and investment programs.

Recommendation No. 4.—The bill authorizes the President to establish reserves from appropriations to the extent that the purposes intended by the Congress will be accomplished by the expenditure of amounts less than the amounts appropriated.

Recommendation No. 5.—Progress includes provision of necessary authority to the Bureau of the Budget to (a) review budget estimates, (b) develop a consistent budgetary policy and program for the executive branch as a whole, (c) improve organization and management of the executive branch, and (d) coordinate administrative activities common to the various departments and agencies.

Recommendation No. 6.—Progress includes facilitation of closer relationships between the Bureau of the Budget and other general policy-determining agencies.

Recommendation No. 7.—The bill provides machinery for the development of policies and standards to govern preparation of the budget and performance budget procedures in the departments and agencies.

Recommendations Nos. 8 and 9.—The bill authorizes the President, through the Director of the Bureau of the Budget, to develop programs and issue regulations for the improved gathering, compiling, analyzing, publishing, and disseminating of statistical information for any purpose by the various agencies of the executive branch. (No. 8, which recommends that the Bureau of the Budget supervise all publications in the executive branch, goes beyond the budgetary field, and is implemented in this bill only to the extent of publication of fiscal and statistical information.)

Recommendation No. 10.—The bill does not create an Accountant General under the Secretary of the Treasury with authority to prescribe general accounting methods and enforce accounting pro-

¹See appendix B for summary of recommendations, S. Rept. No. 1158, 81st Congress.

cedures subject to the approval of the Comptroller General as recommended by the Hoover Commission.

Under a policy established and steadfastly adhered to by the Congress, the Comptroller General of the United States, as an agent of the Congress, has been vested with authority to prescribe accounting requirements for each of the executive agencies as an essential to legislative control of appropriations and expenditures in the executive branch. The committee feels that this long-established policy of Congress is an essential legislative control over public financial transactions, and must be held inviolate. It has, therefore, rejected this proposal of the Hoover Commission. The bill does fill in certain gaps in the Comptroller General's authority, however, and he will be enabled to exercise all his authority on the same high level of principles, standards, and related requirements, consistent with the assumption by the agencies of their responsibility to develop their own detailed systems and procedures.

The bill also vests in the Secretary of the Treasury authority for central financial reporting and such central accounting as is necessary in that connection, and in the heads of all departments and agencies authority to establish accounting systems best suited to their own needs within the framework of the principles and standards prescribed by GAO.

The Commission on Organization of the Executive Branch, in its concluding report stated that—

As a matter of principle, the Commission has not been concerned with matters of substantive policy. In practice, however, it has often been extremely difficult to separate policy from administration, although a conscientious effort has been made to do so.

In the opinion of this committee, not only is the question of appointing an Accountant General to supersede the representative of Congress—the Comptroller General—a substantive policy matter, but the committee further believes that this proposal also concerns primarily the legislative branch of the Government rather than the executive branch, over which the Hoover Commission had no jurisdiction in conducting its survey for reorganizations in the Federal Government.

In its report on the Department of the Treasury and its concluding report, the Hoover Commission repeats its recommendations for the establishment of an Accountant General in the Department of the Treasury, with a detailed outline regarding the proposed functions of such officer, and also the recommendation relating to a study of the question of fidelity insurance for the accountable officers of the Government (No. 13), both of which are omitted from S. 3850.

Recommendation No. 11.—Under the bill adequate authority is granted to the Comptroller General to conduct field audits of agency accounts and to eliminate insofar as possible the shipment of such records to Washington. The bill also authorizes the Comptroller General to discontinue the maintenance in the General Accounting Office of appropriation, expenditure, limitation, receipt, and personal ledger accounts when in his opinion the agency accounting systems and internal controls are sufficient to enable him to perform properly the functions to which such accounts relate; and authorizes selective auditing processes at places where expenditure vouchers and papers are administratively kept, and decentralization or waiver of administrative examination of fiscal officers accounts.

Recommendation No. 12.—The bill provides that when the Secretary of the Treasury and the Comptroller General determine existing procedures can be modified in the interest of simplification, improvement, or economy, with sufficient safeguards over the control and accounting for the public funds, they may issue joint regulations providing for the waiving of the requirement for warrants for the receipt, retention, and disbursement of public moneys and trust funds, and the requirement that funds be requisitioned and advanced to accountable officers under each separate appropriation head or otherwise. The regulations issued under this provision may provide for the payment of vouchers by disbursing officers by means of checks issued against the general account of the Treasurer of the United States.

The bill provides the basis for accomplishing in practically every respect the general recommendation of the Hoover Commission for accounting improvement, including accrual accounting and uniform nomenclature.

Recommendation No. 13.—This recommendation of the Hoover Commission provides for a complete study of the whole question of fidelity insurance for the accountable officers of the Government in order to arrive at a simpler and less expensive procedure. The bill has no provision dealing with this subject, inasmuch as the Committees on Expenditures in the Executive Departments of the House and the Senate have completed hearings on a number of related measures, and are now considering separate legislation to conform to this recommendation.

In its Report on General Management, the Hoover Commission recommended (Recommendation No. 15) greater decentralization to—

operating agencies of such services as accounting, budgeting * * * under common standard supervision established for the entire executive branch—

and that (Recommendation No. 20) department heads be authorized to—

assign funds appropriated by the Congress for a given purpose to that agency in his department which he believes can best effect the will of Congress.

These recommendations are incorporated within proper limits in the provisions of S. 3850.

The Commission also recommended, in its Report on Federal Business Enterprises, that the Congress should amend the Government Corporation Control Act of 1945 to promote business-type budgets. These recommendations go beyond the scope of this bill. Section 106 provides, however, that wholly owned Government corporations shall prepare annually business-type budgets which shall be submitted to the Bureau of the Budget under such rules and regulations as the President may establish as to the date of submission, the form and content, the classifications of data, and the manner in which such budget program shall be prepared and presented.

The report on the Post Office includes a recommendation (No. 6) to the effect that a business-type form of budget, accounting, and audit under the Government Corporation Control Act of 1945 be applied to the Post Office. While the Post Office Department was included within the full scope of the original draft of the subject bill, amendments were later approved by the committee to exempt the application of accounting provisions which would affect that Department.

This was necessary in view of the fact that the House has recently passed a separate bill (H. R. 8923), and this and a companion bill (S. 3829) are presently under consideration in the Senate Committee on Post Office and Civil Service, which would put into effect the same general provisions applying to all other agencies of the Government under the subject bill, with certain other authorizations and controls applying specifically to that Department.

CONCLUSION

It is the firm conviction of this committee that S. 3850 would accomplish a major advancement in the fields of budgeting and accounting in the Federal Government, and that it conforms to the objectives and conclusions of the Hoover Commission in its Report on Budgeting and Accounting.

The single departure from the recommendations of a majority of the Hoover Commission is, in the opinion of the committee, necessary to meet objections raised to the original bill, S. 2054. The subject bill conforms to the dissenting views of Commissioners McClellan and Manasco, and to the policies established and adhered to over a period of many years by the Congress. The continuation of the functions of the General Accounting Office, as an agency of the Congress, is essential to the maintenance of adequate appropriation and expenditure control by the Congress over the Federal Government, and the committee is convinced the omission of the recommendation for the creation of an Accountant General will in no way interfere with the accomplishment of every other recommendation of the Commission on Organization of the Executive Branch of the Government in its report on budgeting and accounting.

This committee, which has been active over the last 3 years in promoting better budgeting and accounting procedures, will continue to give consideration to the problems in this field. It proposes to keep in close contact with the activation and administration of the program included in the provisions of the subject bill, if it is enacted into law, with a view to urging further legislative action that may be indicated as desirable after this bill has been put into operation and fully tested. This most important area of Federal activities is one which must be studied continuously, and this committee will follow up results attained under the bill, if enacted, with a view to determining the extent of the gains made by the pending measure, and will take appropriate steps in the future to consolidate and extend such gains.

SECTION-BY-SECTION ANALYSIS

There follows (a) a complete section-by-section analysis of all provisions of the pending bill; (b) appendix A, denoting changes in existing laws proposed under titles I, II, and III; (c) appendix B, summarizing the recommendations of the Hoover Commission in Its Report on Budgeting and Accounting; and (d) appendix C, quoting the letters from the Comptroller General of the United States, the Secretary of the Treasury, and the Director of the Bureau of the Budget, setting forth their views on the bill, S. 3850:

SECTION-BY-SECTION ANALYSIS OF S. 3850, THE BUDGET
AND ACCOUNTING PROCEDURES ACT OF 1950

TITLE I—BUDGET AND ACCOUNTING

PART I—BUDGETING

DEFINITION

Section 101

This section adds a definition of the term "appropriations" to section 2 of the Budget and Accounting Act of 1921 to make it clear that the use of this term is intended to include nonappropriated funds and contract authorizations wherever appropriate.

PERFORMANCE BUDGET AND REGULATIONS

Section 102

Subsection (a).—This provision eases the requirement that the President submit the annual budget to Congress on the first day of each regular session. Under the modified provision he would be authorized to submit that document within the first 15 days.

Under the above calendar the President would undoubtedly continue to bring in first the traditional State of the Union message required by the Constitution although no specific date is specified therein. He could then submit his Economic Report along with the extended annual report of the Council of Economic Advisers. Third, the President would transmit the budget document after the country and the Congress have had the opportunity to study and digest the two earlier messages.

This calendar would not handicap the timing of committee consideration of budget recommendations of the two Houses of Congress. Moreover, it will permit substantially as flexible a calendar as at present for any modification of the requirement that the joint committee set up by the Legislative Reorganization Act of 1946 shall report its legislative budget recommendations by February 15 of each year.

Items (a), (b), and (c) provide for the inclusion in the budget, in such form and detail as the President may determine, of certain specified items, which are intended to make the budget more informative and understandable and which follow the recommendations of the Commission on the Organization of the Executive Branch of the Government.

Item (a) provides specifically that the budget be presented on a performance basis, under which primary emphasis will be placed on functions and activities, and justifications will be based to the maximum extent possible on workload and unit-cost data. The budget can then be designed to present budget requests in clear, understandable fashion.

Item (b) specifically requires a separation of (1) operating programs from (2) capital and investment programs. In addition to these two classifications, item (c) permits the use of any other desirable classifications, such as grants, etc.

Item (d) requires a summary reconciliation of expenditures with appropriations, to provide the Congress with information on the effect on expenditures of its action on appropriations. Such a reconciliation should provide a bridge between expenditures and obligations.

Items (e) and (f) clarify present wording of the Budget and Accounting Act with respect to estimated expenditures, estimated receipts, and proposed appropriations.

Items (e), (g), and (h) require that the budget give information on appropriations for the past year as well as for the current year and the budget year. This requirement provides for showing full information on a 3-year basis, not only with respect to receipts and expenditures, but also with respect to appropriations. The present requirement for the showing of unobligated balances of appropriations as of November 1 is eliminated.

Items (i), (j), and (k), requiring balanced statements of the condition of the Treasury, facts regarding the bonded and other indebtedness of the Government, and other financial statements, are identical with present provisions.

Subsection (b).—This subsection, relating to the submission of proposed supplemental and deficiency appropriations, is the same as present law except for clarification in terminology.

Subsection (c).—This subsection provides that, except as otherwise provided in the Budget and Accounting Act, the content, order, and arrangement of the proposed appropriations and statements of expenditures contained in the budget shall conform to requirements prescribed by the President. Subsection 204 (b) of the Budget and Accounting Act, relating to proposed lump-sum appropriations is eliminated as the provisions thereof are now obsolete.

Subsection (d).—This subsection requires the submission, whenever a basic change is made in the form of the budget, of supplementary notes and tables to relate the various items in the budget in which such change is made to the corresponding items in the budget of the prior year. The obsolete language pertaining to the alternative budget for the fiscal year 1923 is eliminated.

Subsection (e).—This subsection clarifies present terminology. The phrase relating to the preparation of the "alternative budget" is deleted, in accordance with the change made by subsection (d).

Subsection (f).—This subsection places responsibility for the preparation of the departmental estimates on the head of the agency. This will serve to bring provisions of the Budget and Accounting Act in line with recommendations of the Commission on Organization of the Executive Branch to strengthen the authority of the department head for budget formulation.

Subsection (g).—This subsection provides that the President shall determine the date for submission of the departmental requests for appropriations to the Bureau of the Budget, as a substitute for the present requirement that such requests be submitted on or before September 15. The purpose of this subsection is to provide flexibility in the timing of the submission of departmental requests for appropriations. The wording of this subsection has also been revised to be consistent with the changes made in other sections of the bill.

Subsection (h).—This subsection makes no substantive change; it merely provides clarifying language.

TRANSITORY PROVISIONS

Section 103

This provides some flexibility during a 2-year transitional period in making the budget and accounting changes provided for in this bill.

This will permit earlier and more orderly accomplishment of the contemplated reforms than would otherwise be possible in some instances. It permits department heads, with the approval of the President, to make certain transfers between appropriations within, not between, departments during the next two fiscal years, and provides that such transfers shall be reported to the President and the Congress to avoid abuse of the provision. Several departmental authorizations and numerous specific transfers already occur in existing statutes.

GOVERNMENT STATISTICAL ACTIVITIES

Section 104

This section clarifies the present law in accordance with the recommendations of the Commission on Organization of the Executive Branch with respect to the supervision and coordination of the Government's statistical activities, and is intended to be in addition to, and not in substitution for, the existing authority of the Bureau of the Budget with respect to Government statistical and reporting activities.

IMPROVED ADMINISTRATION OF EXECUTIVE AGENCIES

Section 105

This section emphasizes the responsibility of the Bureau of the Budget for improving the organization and management of the executive branch in accordance with the recommendations of the Commission on Organization of the Executive Branch. It is not intended to be in substitution for the existing authority of the Bureau of the Budget with respect to Government organization and management.

BUSINESS-TYPE BUDGETS

Section 106

This section amends the Government Corporation Control Act of 1945 to make it consistent with the Budget and Accounting Act as amended by section 102 of this bill as to date of submission of budgets of agencies subject to the 1945 act.

PART II—ACCOUNTING AND AUDITING

This part consists of a complete act to be known as the Accounting and Auditing Act of 1950. This legislation embodies the principles and objectives of the cooperative program which is being conducted under the leadership of the Comptroller General of the United States, the Secretary of the Treasury and the Director of the Bureau of the Budget to improve the Government's accounting, financial reporting, and auditing. The provisions of this part will also facilitate the attainment of the budgetary improvements provided for elsewhere in the bill. This part spells out clear-cut responsibilities and duties while at the same time providing for their exercise in proper relationship and cooperation toward the common goal of making accounting, financial reporting, budgeting, and auditing of the greatest value.

The careful allocation of responsibilities is designed to produce an integrated accounting system for the Government as a whole. Emphasis is placed on the development and use of agency accounting systems as the foundation for financial control and the production of necessary financial information. Provision is made for progressive improvement and simplification of the present accounting of the

Government and a specific basis is laid for more comprehensive and selective performance of the independent audit by the General Accounting Office to the fullest extent practicable at the site of operations. This legislation will provide flexibility that is urgently needed for putting into effect more economical and efficient accounting and auditing procedures in order to obtain maximum benefits from work now going forward under the joint accounting program and lays a solid foundation for carrying out the policies and objectives of the program.

SHORT TITLE

Section 110

This section provides a short title, "Accounting and Auditing Act of 1950."

DECLARATION OF POLICY

Section 111

This section declares the congressional policy that—

(a) The accounting of the Government provide full disclosure of the results of financial operations, adequate financial information needed in the management of operations and the formulation and execution of the budget, and effective control over income, expenditures, funds, property, and other assets.

(b) Full consideration be given to the needs and responsibilities of both the legislative and executive branches in the establishment of accounting and reporting systems and requirements.

(c) The maintenance of accounting systems and the producing of financial reports with respect to the operations of executive agencies, including central facilities for bringing together and disclosing information on the results of the financial operations of the Government as a whole, be the responsibility of the executive branch.

(d) The auditing for the Government, conducted by the Comptroller General of the United States as an agent of the Congress, be directed at determining the extent to which accounting and related financial reporting fulfill the purposes specified, financial transactions have been consummated in accordance with laws, regulations, or other requirements, and adequate internal financial control over operations is exercised, and afford an effective basis for the settlement of accounts of accountable officers.

(e) Emphasis be placed on effecting orderly improvements resulting in simplified and more effective accounting, financial reporting, budgeting, and auditing requirements and procedures and on the elimination of those which involve duplication or which do not serve a purpose commensurate with the costs involved.

(f) The Comptroller General of the United States, the Secretary of the Treasury, and the Director of the Bureau of the Budget conduct a continuous program for the improvement of accounting and financial reporting in the Government.

RESPONSIBILITIES OF THE COMPTROLLER GENERAL

Section 112

Subsection (a) provides that the Comptroller General, after consulting with the Secretary of the Treasury and the Director of the Bureau of the Budget, and after considering the needs of other execu-

tive agencies, shall prescribe the principles, standards, and related requirements for accounting to be observed by each agency, including requirements for suitable integration between the accounting processes of the executive agencies and the accounting of the Treasury Department.

Subsection (a) also specifies that requirements prescribed by the Comptroller General shall be so designed as to permit the executive agencies to carry out their individual responsibilities for accounting under section 113. At the same time, the requirements must provide a basis for integrated accounting for the Government, full disclosure of the results of financial operations of individual executive agencies and for the Government as a whole, and for financial information and control necessary to enable the Congress and the President to discharge their respective responsibilities.

The subsection directs the Comptroller General to continue to exercise the authority vested in him by section 205 (b) of the Federal Property and Administrative Services Act of 1949 (63 Stat. 389; 41 U. S. C. 235 (b)), thereby assuring proper coordination with the property management responsibilities of the Administrator of General Services under that act. The Comptroller General is also to continue to exercise, to the extent he deems necessary, the authority vested in him by section 309 of the Budget and Accounting Act, 1921 (42 Stat. 25; 31 U. S. C. 49). This latter provision of the subsection will permit the Comptroller General to exercise his prescribing authority over appropriation and fund accounting systems in terms of principles, standards, and related requirements rather than in terms of detailed forms and procedures coordinate with the proper assumption by agencies of their responsibilities under section 113. Any exercise of authority under the two cited sections of existing law is to be consistent with the provisions of this section, thereby enabling the prescribing authority to be exercised in the light of an understanding of all the needs which accounting must serve and in a manner which will bring about appropriate coordination of all phases of accounting systems.

Subsection (b) provides that the General Accounting Office shall cooperate with the executive agencies in the development of their accounting systems, and with the Treasury Department in the development and establishment of the system of central accounting and reporting required by section 114 of the bill. Provision is made in subsection (b) for accounting systems to be approved by the Comptroller General when deemed by him to be adequate and in conformity with the principles, standards, and related requirements prescribed by him.

Subsection (c) directs the General Accounting Office to review accounting systems of the executive agencies from time to time and to make the results of such reviews available to the heads of the executive agencies concerned, the Secretary of the Treasury and the Director of the Bureau of the Budget. It is also provided that the Comptroller General shall make such reports on the review of accounting systems to the Congress as he deems proper. It is contemplated that there will be proper coordination between the performance of such reviews and the audits by the General Accounting Office.

Taken as a whole, this section furnishes the Comptroller General as the agent of the Congress with authority and responsibility for providing for a sound accounting structure for the Government from

the standpoint of effective financial control and independent audit on a basis consistent with the proper development of accounting and financial reporting in the executive branch as an essential arm of management.

RESPONSIBILITIES OF THE EXECUTIVE AGENCIES

Section 113

This section sets out the duties and responsibilities of the head of each executive agency for the establishment and maintenance of the systems of accounting and internal control in his agency. It is provided in subsection (a) that the systems of accounting and internal control shall provide (1) full disclosure of the financial results of the agency's activities; (2) adequate financial information needed for management purposes; (3) effective control over and accountability for all funds, property, and other assets for which the agency is responsible, including internal audit; (4) reliable accounting results to serve as the basis for the preparation and support of the agency's budget requests, for controlling the execution of the agency's budget, and for providing financial information required by the Bureau of the Budget under section 213 of the Budget and Accounting Act, 1921 (42 Stat. 23); and (5) suitable integration of the accounting of the agency with the accounting of the Treasury Department in connection with central accounting and reporting responsibilities imposed on the Secretary of the Treasury by section 114 of the bill.

Subsection (b) provides that the accounting systems of executive agencies shall conform to the principles, standards, and related requirements prescribed by the Comptroller General.

The intent and purpose of section 113 is to place upon the head of each executive agency for the first time the clear responsibility for the establishment and maintenance of an adequate and complete accounting system. It is not intended that the Comptroller General normally shall be compelled to prescribe the details of each system but the system developed by the agencies must conform to the principles, standards, and related requirements prescribed by him.

RESPONSIBILITIES OF THE SECRETARY OF THE TREASURY

Section 114

This section recognizes the necessity of providing means for systematically bringing together and producing information needed regarding the results of the financial operations of the Government as a whole. It recognizes further that central facilities for that purpose should be in the Treasury Department because of the nature of the fiscal operations, accounting, and reporting it performs.

Subsection (a) imposes on the Secretary of the Treasury the responsibility for producing financial reports which will make adequate disclosure of the results of the financial operations of the Government. Such reports obviously cannot serve all the many purposes of financial reporting in the Government but they should supply a long-standing need on the part of the legislative and executive branches and the public for more useful and understandable presentations of financial information from the standpoint of the Government as a whole. Provision is made for including in these over-all reports such data as

the Director of the Bureau of the Budget may require in connection with preparation of the budget and other purposes of the Bureau. This will not interfere with the authority of the Director to obtain directly from the executive agencies such other financial information as he may need from them. To enable the Secretary to carry out this responsibility for central reporting, authority is given him to issue rules and regulations requiring from each executive agency, including each corporation and agency subject to the Government Corporation Control Act, such financial reports and related information as may be necessary.

In order that an appropriate operating center will be provided to produce the required reports, the Secretary is given broad authority under subsection (b) to reorganize accounting functions and change accounting procedures and financial reports within the Treasury Department and to establish organizational and other facilities necessary for that purpose. The flexibility thus provided should enable the Secretary to establish the internal accounting and reporting of the Treasury Department on the most integrated and efficient basis and to concentrate functions and responsibility in such a manner as will facilitate consolidating the accounting results of other agencies with those of the Department on a consistent and reliable basis.

Under subsection (c) the system of central accounting and reporting established by the Secretary pursuant to this section must be consistent with the principles, standards, and related requirements prescribed by the Comptroller General of the United States under section 112 of the bill.

Important related features of the bill are the specific provisions in sections 112 and 113 for suitable integration between the accounting processes of each executive agency and those of the Treasury Department where they coincide. This is essential to the preparation of financial reports of the Government on a reliable and consistent basis and without repetitive recording of financial transactions, and the confusion involved in attempting to explain discrepancies between data compiled from various sources on different bases.

REGULATIONS FOR RECEIPT, RETENTION, AND DISBURSEMENT OF PUBLIC FUNDS

Section 115

Under procedural requirements of existing law to which this section relates, particularly those codified in sections 76, 147, and 529 of title 31, U. S. Code, the moneys of the United States are received, kept and disbursed upon warrants drawn by the Secretary of the Treasury and countersigned in the General Accounting Office. Advances are required to be made to disbursing officers of the Government for disbursing purposes, for the most part under separate appropriation headings. Requisitions for such advances before being acted on by the Secretary of the Treasury are required to be sent to the General Accounting Office for approval as provided by those provisions of law codified in section 78 of title 31. These requirements were intended to provide safeguards and controls over the receipt and disbursement of the public funds, and in harmony therewith warrants are issued by the Treasury Department and countersigned in the General Accounting Office in connection with such matters as the setting up of appropriations on the books of the Government, transfers and adjustments

between appropriations, writing off of expired appropriation balances, and advancing of funds to disbursing officers.

In order to provide a means for eliminating in an orderly manner the duplicating and overlapping of controls and accounting involving the control of disbursements in relation to appropriations, this section provides authority for modification or elimination of the present procedures involving the issuance and countersignature of warrants. The Secretary of the Treasury and the Comptroller General, who now issue and countersign warrants as a means of control over receipts and disbursements, are authorized by this section to waive the present requirements for the use of warrants by joint regulations which would prescribe simpler and more efficient procedures. This authority will be exercised when the Secretary of the Treasury and the Comptroller General determine that sufficient safeguards over the control and accounting for public funds are otherwise provided. Such regulations issued by the Secretary of the Treasury and the Comptroller General may provide further for the payment of vouchers by means of checks issued against the general account of the Treasurer of the United States rather than against advances to disbursing officers by individual appropriations.

It is contemplated that the process of substituting simpler procedures for those presently required in connection with the issuance and countersignature of warrants will be based essentially on full utilization of effective accounting and internal controls established in the operating agencies, supplemented by appropriate independent audits, and the coordinate modification or elimination of central control processes and accounting operations.

DISCONTINUANCE OF ACCOUNTS IN THE GENERAL ACCOUNTING OFFICE

Section 116

This section authorizes the Comptroller General to discontinue the maintenance of certain accounts in the General Accounting Office when, in his opinion, the accounting systems and internal control of the responsible agencies are sufficient to enable him to perform the functions to which such accounts relate. This is consistent with the objective to utilize accounting systems established in the operating agencies to the fullest extent possible for control and audit purposes.

In the opinion of the committee, proper use of this authority by the Comptroller General can bring about substantial simplification and elimination of overlapping and duplication of accounting and related clerical work, hand-in-hand with the establishment of improved accounting and internal controls in the agencies. The discontinuance of such accounts in accordance with the standards provided is a desirable step and one which the committee expects to be carried forward as rapidly as possible.

AUDITING PROVISIONS

Section 117

This section provides certain clarification of authority as the basis for improvement and simplification of the audit function of the General Accounting Office on a coordinated basis with the improvement of accounting and internal control procedures in the agencies.

Subsection (a) provides that, except as otherwise specifically provided by law, financial transactions of each executive, legislative, and judicial agency, including but not limited to the accounts of accountable officers, shall be audited by the General Accounting Office in accordance with such principles and procedures and under such rules and regulations as may be prescribed by the Comptroller General of the United States. It further provides that in the determination of the auditing procedures to be followed and the extent of the examination to be made of vouchers and other documents, the Comptroller General will give due regard to generally accepted principles of auditing. This provides specific authorization to regulate the amount of detailed audit work to be done in the light of the effectiveness of the agency's accounting system, related internal control and other procedures, and of administrative application of statutes and other legal requirements governing financial transactions. This opens the way to greater use of selective examination of transactions and provides specific statutory recognition and foundation for the comprehensive on-the-site audit program which has been instituted by the General Accounting Office as the basis for more effective and efficient discharge of its responsibilities to the Congress in the audit of the financial transactions of the Government and the settlement of accounts of accountable officers. The provisions of this subsection are based upon the principle that external audit and control methods should be developed by the General Accounting Office in balanced relationship with features of agency accounting, internal control and inter-related procedures, and the more effective the internal controls, the more efficient and economical will be the independent audit.

Subsection (b) implements the foregoing provisions by authorizing the Comptroller General to require any executive agency to retain in whole or in part accounts of accountable officers, contracts, vouchers, and other documents, which are required under existing law, codified in 31 U. S. C. 496 and related provisions, to be submitted to the General Accounting Office. This will provide for orderly expansion of the program for auditing financial transactions at the site of operations in the agencies and avoid the necessity under appropriate circumstances for submission of documents to the General Accounting Office in Washington. It will enable present temporary arrangements between the Office and executive agencies under which site and comprehensive audits are being performed to be placed on a firm and permanent basis.

GENERAL PROVISIONS

Section 118

Definition of executive agency.—This section defines the term “executive agency” as used in this part to mean any executive department or independent establishment in the executive branch of the Government but excludes from such definition, except for the purposes of sections 114, 116, and 119, any Government corporation or agency subject to the Government Corporation Control Act (59 Stat. 597; 31 U. S. C. 841). It is not intended to supersede the existing authority of the corporations to maintain their accounting systems under determinations made by them. With respect to the audit of such corporations, the Government Corporation Control Act already provides for a comprehensive commercial-type audit of their transactions by the General Accounting Office and for report thereof to

the Congress by the Comptroller General. However, in the case of section 114, it is necessary to the preparation by the Secretary of the Treasury of reports presenting the results of the financial operations of the Government that the Government corporations, along with the other executive agencies, furnish the Secretary the financial reports and information referred to in subsection (a) of that section. In the case of a few corporations accounts for certain funds are maintained in the General Accounting Office under present law. The provisions of this section 118 will enable the Comptroller General to discontinue such accounts on the same basis with respect to corporations as with respect to other executive agencies. Similarly, in the case of section 119, it is intended to confer on the corporations the authority with respect to the administrative examination of fiscal officers' accounts when required under present law.

This section further provides that the term "executive agency" as used in this part shall not include the Post Office Department except for the purposes of sections 111 (declaration of policy), 114 (central accounting and reporting), and 116 (discontinuance of accounts in General Accounting Office). The reasons for inclusion of the Post Office Department in the last two sections are similar to those in the case of the Government corporations. The substance of those provisions in this part affected by exclusion of the Post Office Department from the definition is dealt with in H. R. 8923, the Post Office Department Financial Control Act of 1950, passed by the House of Representatives, and S. 3829, an identical bill pending in the Senate. Enactment of that measure, while consistent with these provisions, will render their application to the Department unnecessary.

ADMINISTRATIVE EXAMINATION OF ACCOUNTS

Section 119

This section will substantially modify the present legal requirements that the head of each executive agency perform an administrative examination of fiscal officers' accounts at the seat of Government in Washington. This is an antiquated requirement inconsistent with the great amount of decentralization of operations to the field and the development of more effective means of controlling field operations than through the administrative examination of vouchers after they have been paid by disbursing officers or collection documents after the receipt and deposit of funds. It is also completely inconsistent with the post audit of transactions by the General Accounting Office where the accounts and records of agencies are normally kept. In those agencies where strictly observed, it results in much unnecessary paper work and handling and shipping of documents, which in many cases is a mere formality. While these conditions have in part been alleviated by revised procedures under present law, the authority provided by this section is necessary to attainment of maximum simplification. The provisions of this section are in accordance with recommendations growing out of an extensive joint study made by the General Accounting Office, Treasury Department, and Bureau of the Budget.

The section authorizes the head of each executive agency to designate the place where the agency will conduct the administrative examination of its accounts after payment. It further provides that with the concurrence of the Comptroller General the administrative

examination may be waived, either in whole or in part. Similar authority is conferred upon the officers responsible for the administrative examination of accounts for legislative and judicial agencies.

TITLE II—APPROPRIATIONS

TRANSFERS BETWEEN APPROPRIATIONS

Section 201

This section allows the head of each department authority for a 5 percent interchange among the appropriations of the department, subject to the approval of the President. It would take effect after the end of the second full fiscal year following the passage of this act and would give the department head administrative flexibility in promoting economy and efficiency in the operation of his department and would decrease the need for supplemental and deficiency appropriations. To avoid abuse, reports on such transfers, with reasons therefor, are to be made currently to the President and to the Congress and are to be summarized annually in the budget.

It should be remembered that the budgets of the average Federal department are each larger and more complete than those of huge business organizations such as United States Steel, Standard Oil, and American Telephone and Telegraph companies. By law they must be submitted in the January preceding the July when the fiscal year starts. That submission means that the Budget Bureau must receive agency budget requests 3 or 4 months previously. And that in turn means that the agencies must start assembling the budget data from their constituent agencies another 3 or 4 months earlier. In short the budget finally voted by Congress at the beginning of a fiscal year stems from data originally assembled a year previously which are probably never thoroughly readjusted for changing circumstances. This supports the recommendation of the Hoover Commission for the proposed 5 percent transfer to introduce flexibility, which is covered by this section.

AUTHORIZATIONS FOR APPROPRIATIONS

Section 202

This section requires approval by the head of an agency of requests by any unit of the agency for proposed legislation which, if enacted, would authorize appropriations. This provides a statutory basis for present practice and is consistent with the recommendations of the Commission on Organization of the Executive Branch with respect to the authority of department heads.

REDUCTIONS IN APPROPRIATIONS

Section 203

This section authorizes the President to establish reserves from appropriations for the executive branch whenever he determines that the objectives of the appropriations made by Congress can be accomplished by the expenditure of an amount smaller than the appropriation. This clarifies the President's authority to secure economy and reduce expenditures, and is intended to be in addition to, and not in substitution for, any authority granted by law authorizing apportionment of appropriations or funds.

This provision is in accord with the recommendations of the Joint Committee on Reduction of Nonessential Federal Expenditures. In its first report (S. Doc. No. 152, dated December 24, 1941), that committee recommended—

that legislation be enacted which would authorize the Director of the Budget to set up reserves out of any future appropriation, at such times and in such amounts as the President may determine.

ADJUSTMENT OF APPROPRIATIONS FOR REORGANIZATIONS

Section 204

This section provides for the adjustment of appropriation accounts and the transfer of balances in connection with reorganizations. Provisions similar to subsection (b) are ordinarily included in reorganization plans. This is intended to simplify the administration and accounting pertaining to reorganizations.

TITLE III—REPEALS

Subsection 301 (a) of the bill would repeal 106 provisions of existing law which specify in considerable detail requirements with respect to budgetary practice and procedure and expenditure of appropriated funds.

Most of these 106 items antedate the Budget and Accounting Act and are impracticable of application under the uniform budget system established under that act. In fact, although these items are still carried in the United States Code, it appears that many of them have been repealed by implication in the Budget and Accounting Act or other later laws.

A detailed explanation of each provision is set forth below. In general, the repealed items fall into the following classes:

| | |
|--|-----|
| Provisions which are either inconsistent with, or superseded by, the Budget and Accounting Act, or other existing law: (1), (2), (3), (4), (5), (6), (7), (8), (9), (10), (11), (12), (13), (14), (15), (16), (17), (18), (19), (20), (21), (22), (23), (24), (25), (26), (27), (28), (29), (30), (31), (32), (33), (34), (35), (36), (37), (38), (39), (40), (41), (42), (43), (44), (45), (46), (47), (48), (49), (50), (51), (52), (53), (54), (55), (56), (57), (58), (59), (60), (63), (64), (65), (70), (72), (80), (83), (84), (86), (87), (88), (89), (90), (91), (92), (93), (94), (95), (96), (97), (98), (99), (100), (101), (102), (103), (104), (105), (106)----- | 89 |
| Provisions which have been superseded or modified by various subsequent appropriation acts, or which can be more appropriately provided for, on an annual basis, in the texts of the various appropriation acts rather than in permanent law: (66), (67), (68), (69), (71), (73), (74), (75), (76), (77), (78), (79), (81)----- | 113 |
| Provisions calling for reports having only doubtful value at the present time: (61), (62), (82)----- | 3 |
| Provisions which are unnecessary under existing budgetary controls and appropriation procedures: (85)----- | 1 |

³See section on changes in existing law Appendix A.

The committee wishes to call particular attention to the item last mentioned (subparagraph 85) which would repeal the existing requirements of law relating to personnel ceilings and limitations. The executive branch has recommended the repeal of this law on numerous

occasions. The reasons therefor were clearly set forth in the President's budget message for 1948 (p. M-57) in which he stated:

The personnel reductions were facilitated by the statutory limitations on personnel and provisions for detailed personnel ceiling determinations enacted by the Seventy-ninth Congress. When we began to convert to a peacetime basis and appropriations greatly exceeded expenditures, this legislation served a useful purpose. By the Legislative Reorganization Act the Congress has in effect decided that the extent of Federal activities, and hence personnel, should be determined by the usual appropriations process. The statutory limitations and personnel ceilings constitute a separate and possibly conflicting method of controlling the number of employees. The appropriations process, to my mind, is far preferable to the personnel ceilings and limitations, since these place undue emphasis upon the number of employees and put a premium on contractual arrangements and other measures to get the necessary work done without exceeding numerical limitations.

I therefore recommend the repeal of the statutory limitations on personnel and provisions for personnel ceiling determinations.

The committee agrees with the views of the President in this respect and recommends that the requirements relating to personnel ceilings and limitations be repealed.

The staff of this committee made a survey to determine the cost of administering personnel ceilings and the effectiveness of the ceiling laws early in 1948. The information received from the Federal departments and independent agencies indicated that it cost at that time at least 94 cents per employee each year to administer personnel ceilings. This means that nearly \$2,000,000 is spent each year to control an infinitesimal fraction of the total Federal budget. A table was prepared (Staff Memorandum No. 80-2-8), which showed that of the nearly 40 billion dollar Federal budget only \$1.8 billion, or 4 percent of the total amount, was paid to employees covered by personnel limitations in 1948, and only one out of three employees in the Federal service is included in ceiling control.

In its conclusions the staff of the committee recommended that civilian personnel ceilings and limitations be abolished for the following reasons:

(a) Two out of three of the total Federal employees are exempt from over-all limitations either by the pay acts or by subsequent legislation.

(b) The administration of ceilings and limitations are time-consuming, costly, and serve no useful purpose.

(c) Ceilings are difficult to administer, promote backlogs, create more paper work, and cost more money than they save.

(d) The purpose for which ceilings and limitations were established can be accomplished more effectively by reduction of appropriations.

The House Appropriations Committee stated in a report filed on H. R. 1659 in the Seventy-ninth Congress that:

* * * The man-year element and the amounts of money appropriated go hand in hand. If one is increased or decreased the increase or decrease of the other automatically follows. From the beginning of the Government the Congress has invariably provided for the public service in terms of money appropriated, and the committee knows of no reason for deviating from that practice.

The need for continuing personnel ceilings reports on a quarterly basis is also alleviated through the issuance of semiannual reports by the Senate Committee on Expenditures in the Executive Departments on the Organization of Federal Executive Departments and Agencies.¹ This chart includes a complete organizational break-

¹ Senate Committee Report No. 9, January 1, 1950.

down to the division level, with personnel assignments to each component, and reflects changes in personnel allocations occurring within every 6-month period. These reports together with appropriation controls should be adequate to eliminate the need for these quarterly personnel ceilings reports and effect economies through the elimination of their preparation.

Subsection 301 (b) is a saving provision. It is intended to preserve the authority granted to the President in the other sections of the bill in the event other statutes purporting to prescribe the manner, form, or time of submission of certain estimates have been inadvertently omitted from the group of statutes repealed by this section.

Subsection 301 (c).—Certain of the statutes which would be repealed by subsection 301 (a)—as well as other statutes not included therein—provide for payment of expenditures for particular objects or purposes from appropriation items which are referred to in such statutes by the specific title used for the appropriation items in the annual appropriation acts. It frequently has been found necessary to consolidate or rearrange appropriation estimates under different titles as different situations arise. Since the institution of performance budgeting likely will result in a greater number of such consolidations and rearrangements, it is desirable to make certain that such authorized expenditures will be payable from any corresponding appropriation which may be granted under another title as a result of any such consolidation or rearrangement of appropriations. This subsection is intended to accomplish this purpose.

Subsection 301 (d).—Many of the statutes to be repealed by this section provide that the estimates for certain functions or organizations shall be submitted by specified officers. These statutes ostensibly relate only to the manner, time, form, or submission of budget estimates. However, some of them may have also been intended to confer jurisdictional authority over certain other functions or organizations. Therefore, this subsection is included in the bill in order to insure that the repeals effected by subsection 301 (a) would not change the existing responsibility of any agency or official of the Government for the performance of their respective functions. It is intended to eliminate any possibility that these repeals might be construed as changing or modifying existing jurisdiction over certain functions, or organizational units, incidentally referred to therein.

APPENDIX A

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed, is shown in roman):

That this Act may be cited as the "Budget and Accounting Procedures Act of 1950".

TITLE I—BUDGETING AND ACCOUNTING

PART I—BUDGETING

DEFINITION

SEC. 101. Section 2 of the Budget and Accounting Act, 1921 (42 Stat. 20), is amended by adding at the end thereof the following:

"The term 'appropriations' includes, in appropriate context, funds and authorizations to create obligations by contract in advance of appropriations."

PERFORMANCE BUDGET AND REGULATIONS

SEC. 102. (a) Section 201 of such Act is amended to read as follows:

"SEC. 201. The President shall transmit to Congress [on the first day] *during the first fifteen days of each regular session, the Budget, which shall set forth [in summary and in detail] his Budget message, summary data and text, and supporting detail. The Budget shall set forth in such form and detail as the President may determine—*

"(a) functions and activities of the Government, constituting a performance budget;

"(b) a segregation of operating, and of capital and investment programs;

"(c) any other desirable classifications of data;

"(d) a reconciliation of the summary data on expenditures with proposed appropriations;

"(e) [a. Estimates of] estimated expenditures and proposed appropriations necessary in his judgment for the support of the Government for the ensuing fiscal year, except that [estimates] estimated expenditures and proposed appropriations for such year for the Legislative Branch of the Government and the Supreme Court of the United States shall be transmitted to the President on or before October 15 of each year, and shall be included by him in the Budget without revision;

"(f) [b. His estimates of] estimated receipts of the Government during the ensuing fiscal year, under (1) laws existing at the time the Budget is transmitted and also (2) under the revenue proposals, if any, contained in the Budget;

"(g) [c. The] actual appropriations, expenditures, and receipts of the Government during the last completed fiscal year;

"(h) [d. Estimates of the] estimated expenditures and receipts, and actual or proposed appropriations of the Government during the fiscal year in progress;

[e. The amount of annual, permanent, or other appropriations, including balances of appropriations for prior fiscal years, available for expenditure during the fiscal year in progress, as of November 1 of such year.];

"(i) [f.] balanced statements of (1) the condition of the Treasury at the end of the last completed fiscal year, (2) the estimated condition of the Treasury at the end of the fiscal year in progress, and (3) the estimated condition of the Treasury at the end of the ensuing fiscal year if the financial proposals contained in the Budget are adopted;

"(j) [g.] all essential facts regarding the bonded and other indebtedness of the Government; and

"(k) [h.] such other financial statements and data as in his opinion are necessary or desirable in order to make known in all practicable detail the financial condition of the Government."

(b) Section 203 of such Act is amended to read as follows:

"SEC. 203. (a) The President from time to time may transmit to Congress *such proposed supplemental or deficiency appropriations [estimates for such appropriations of expenditures] as in his judgment (1) are necessary on account of laws enacted after the transmission of the Budget, or (2) are otherwise in the public interest. He shall accompany such [estimates] proposals with a statement of the reasons therefor, including the reasons for their omission from the Budget.*

"(b) Whenever such proposed supplemental or deficiency [estimates] appropriations reach an aggregate which, if they had been contained in the Budget, would have required the President to make a recommendation under subsection (a) of section 202, he shall thereupon make such recommendation."

(c) Section 204 of such Act is amended to read as follows:

"SEC. 204 [a.] Except as otherwise provided in this Act, the contents, order, and arrangement of the [estimates of] *proposed appropriations and the state-*

ments of expenditures and estimated expenditures contained in the Budget or transmitted under section 203, and the notes and other data submitted therewith, shall conform to [the] requirements [of existing law] prescribed by the President."

"[b] Estimates for lump sum appropriations contained in the Budget or transmitted under section 203 shall be accompanied by statements showing, in such detail and form as may be necessary to inform Congress, the manner of expenditure of such appropriations, and of the corresponding appropriations for the fiscal year in progress and the last completed fiscal year. Such statements shall be in lieu of statements of like character now required by law."

(d) Section 205 of such Act is amended to read as follows:

"SEC. 205. *Whenever any basic change is made in the form of the Budget, the President, in addition to the Budget, shall transmit to Congress [on the first day in December 1921, for the services of the year ending June 30, 1923 only, an alternative budget, which shall be prepared in such form and amounts, and according to such system of classification and itemization as is, in his opinion, most appropriate, with] such explanatory notes and tables as may be necessary to show where the various items embraced in the Budget of the prior year are contained in [such alternative] the new Budget.*"

(e) The last sentence of section 207 of such Act is amended to read as follows: "The Bureau, under such rules and regulations as the President may prescribe, shall prepare [for him] the Budget, [the alternative Budget] and any proposed supplemental or deficiency appropriations [estimates], and to this end shall have authority to assemble, correlate, revise, reduce, or increase the requests for appropriations [estimates] of the several departments or establishments."

(f) Section 214 of such Act is amended to read as follows:

"SEC. 214. [a] The head of each department and establishment shall prepare or cause to be prepared [designate an official thereof as budget officer therefor, who] in each year [under his direction and on or before a date fixed by him, shall prepare the departmental estimates] his requests for regular, supplemental, or deficiency appropriations."

[b. Such budget officer shall also prepare, under the direction of the head of the department or establishment, such supplemental and deficiency estimates as may be required for its work]

(g) Section 215 of such Act is amended to read as follows:

"SEC. 215. The head of each department and establishment shall [revise the departmental estimates and submit them] submit his requests for appropriations to the Bureau on or before [September 15 of each year] a date which the President shall determine. In case of his failure to do so, the President shall cause such requests to be prepared [such estimates and date] as are necessary to enable him to include such requests with the Budget [estimates and statements] in respect to the work of such department or establishment."

(h) Section 216 of such Act is amended to read as follows:

"SEC. 216. [The departmental estimates and any] Requests for regular, supplemental, or deficiency [estimates] appropriations which are submitted to the Bureau by the head of any department or establishment shall be prepared and submitted [in such form, manner and detail] as the President may determine [prescribe] in accordance with the provisions of section 201."

TRANSITORY PROVISIONS

SEC. 103. *In order to expedite the conversion from present budgeting and accounting methods to the performance type of Budget contemplated in the amendments made by this part, the head of each department and establishment in the executive branch of the Government, with the approval of the President, is authorized and directed, until the end of the second full fiscal year following the date of the enactment of this Act, to make such transfers and adjustments within his department or establishment between appropriations available for obligation by such department or establishment in such manner as he deems necessary to cause the obligation and administration of funds and the reports of expenditures to reflect the financial requirements of the functions and activities of the department or establishment. Reports of transfers and adjustments made pursuant to the authority of this section shall be made currently to the President and the Congress.*

GOVERNMENT STATISTICAL ACTIVITIES

SEC. 104. *The President, through the Director of the Bureau of the Budget, is authorized and directed to develop programs and to issue regulations and orders for*

the improved gathering, compiling, analyzing, publishing, and disseminating of statistical information for any purpose by the various agencies in the executive branch of the Government. Such regulations and orders shall be adhered to by such agencies.

IMPROVED ADMINISTRATION OF EXECUTIVE AGENCIES

SEC. 105. *The President, through the Director of the Bureau of the Budget, is authorized and directed to evaluate and develop improved plans, for the organization coordination, and management of the executive branch of the Government with a view to efficient and economical service.*

BUSINESS-TYPE BUDGETS

SEC. 106. The first two sentences of section 102 of the Government Corporation Control Act of 1945 (59 Stat. 597), are amended to read as follows: "Each wholly owned Government corporation shall cause to be prepared annually a *business-type budget* [program] which shall be submitted to the [President through the Bureau of the Budget on or before September 15 of each year the] Bureau of the Budget, under such rules and regulations as the President may establish [is authorized and directed to prescribe] *as to the date of submission*, the form and content [of], *the classifications of data*, and the manner in which such budget program shall be prepared and presented."

PART II—ACCOUNTING AND AUDITING

SHORT TITLE

SEC. 110. This part may be cited as the "Accounting and Auditing Act of 1950".

DECLARATION OF POLICY

SEC. 111. It is the policy of the Congress in enacting this part that—

(a) The accounting of the Government provide full disclosure of the results of financial operations, adequate financial information needed in the management of operations and the formulation and execution of the Budget, and effective control over income, expenditures, funds, property, and other assets.

(b) Full consideration be given to the needs and responsibilities of both the legislative and executive branches in the establishment of accounting and reporting systems and requirements.

(c) The maintenance of accounting systems and the producing of financial reports with respect to the operations of executive agencies, including central facilities for bringing together and disclosing information on the results of the financial operations of the Government as a whole, be the responsibility of the executive branch.

(d) The auditing for the Government, conducted by the Comptroller General of the United States as an agent of the Congress be directed at determining the extent to which accounting and related financial reporting fulfill the purposes specified, financial transactions have been consummated in accordance with laws, regulations or other legal requirements, and adequate internal financial control over operations is exercised, and afford an effective basis for the settlement of accounts of accountable officers.

(e) Emphasis be placed on effecting orderly improvements resulting in simplified and more effective accounting, financial reporting, budgeting, and auditing requirements and procedures and on the elimination of those which involve duplication or which do not serve a purpose commensurate with the costs involved.

(f) The Comptroller General of the United States, the Secretary of the Treasury, and the Director of the Bureau of the Budget conduct a continuous program for the improvement of accounting and financial reporting in the Government.

ACCOUNTING AND REPORTING PROVISIONS

SEC. 112. (a) The Comptroller General of the United States, after consulting the Secretary of the Treasury and the Director of the Bureau of the Budget concerning their accounting, financial reporting, and budgetary needs, and considering the needs of the other executive agencies, shall prescribe the principles, standards, and related requirements for accounting to be observed by each executive agency, including requirements for suitable integration between the accounting processes of each executive agency and the accounting of the Treasury Department. Requirements prescribed by the Comptroller General shall be designed to permit the executive agencies to carry out

their responsibilities under section 113 of this part, while providing a basis for integrated accounting for the Government, full disclosure of the results of the financial operations of each executive agency and the Government as a whole, and financial information and control necessary to enable the Congress and the President to discharge their respective responsibilities. The Comptroller General shall continue to exercise the authority vested in him by section 205 (b) of the Federal Property and Administrative Services Act of 1949 (63 Stat. 389) and, to the extent he deems necessary, the authority vested in him by section 309 of the Budget and Accounting Act, 1921 (42 Stat. 25). Any such exercise of authority shall be consistent with the provisions of this section.

(b) The General Accounting Office shall cooperate with the executive agencies in the development of their accounting systems, including the Treasury Department, in the development and establishment of the system of central accounting and reporting required by section 114 of this part. Such accounting systems shall be approved by the Comptroller General when deemed by him to be adequate and in conformity with the principles, standards, and related requirements prescribed by him.

(c) The General Accounting Office shall from time to time review the accounting systems of the executive agencies. The results of such reviews shall be available to the heads of the executive agencies concerned, to the Secretary of the Treasury, and to the Director of the Bureau of the Budget, and the Comptroller General shall make such reports thereon to the Congress as he deems proper.

Sec. 113. (a) The head of each executive agency shall establish and maintain systems of accounting and internal control designed to provide—

(1) full disclosure of the financial results of the agency's activities;

(2) adequate financial information needed for the agency's management purposes;

(3) effective control over and accountability for all funds, property, and other assets for which the agency is responsible, including appropriate internal audit;

(4) reliable accounting results to serve as the basis for preparation and support of the agency's budget requests, for controlling the execution of its budget, and for providing financial information required by the Bureau of the Budget under section 213 of the Budget and Accounting Act, 1921 (42 Stat. 23);

(5) suitable integration of the accounting of the agency with the accounting of the Treasury Department in connection with the central accounting and reporting responsibilities imposed on the Secretary of the Treasury by section 114 of this part.

(b) The accounting systems of executive agencies shall conform to the principles, standards, and related requirements prescribed by the Comptroller General pursuant to section 112 (a) of this part.

Sec. 114. (a) The Secretary of the Treasury shall prepare such reports for the information of the President, the Congress, and the public as will present the results of the financial operations of the Government: Provided, That there shall be included such financial data as the Director of the Bureau of the Budget may require in connection with the preparation of the Budget or for other purposes of the Bureau. Each executive agency shall furnish the Secretary of the Treasury such reports and information relating to its financial condition and operations as the Secretary, by rules and regulations, may require for the effective performance of his responsibilities under this section.

(b) The Secretary of the Treasury is authorized to establish the facilities necessary to produce the financial reports required by subsection (a) of this section. The Secretary is further authorized to reorganize the accounting functions and install, revise, or eliminate accounting procedures and financial reports of the Treasury Department in order to develop effective and coordinated systems of accounting and financial reporting in the several bureaus and offices of the Department with such concentration of accounting and reporting as is necessary to accomplish integration of accounting results for the activities of the Department and provide the operating center for the consolidation of accounting results of other executive agencies with those of the Department. The authority vested in and the duties imposed upon the Department by sections 10, 15, and 22 of the Act entitled "An Act making appropriations for the legislative, executive, and judicial branches of the Government for the fiscal year ending June thirtieth, eighteen hundred ninety-five, and for other purposes", approved July 31, 1894 (28 Stat. 162, 208-210), may be exercised and performed by the Secretary of the Treasury as a part of his broader authority and duties under this section and in such a manner as to provide a unified system of central accounting and reporting on the most efficient and useful basis.

(c) The system of central accounting and reporting provided for herein shall be consistent with the principles, standards, and related requirements prescribed by the Comptroller General pursuant to section 112 of this part.

SEC. 115. (a) When the Secretary of the Treasury and the Comptroller General determine that existing procedures can be modified in the interest of simplification, improvement, or economy, with sufficient safeguards over the control and accounting for the public funds, they may issue joint regulations providing for the waiving, in whole or in part, of the requirements of existing law that—

(1) warrants be issued and countersigned in connection with the receipt, retention, and disbursement of public moneys and trust funds; and

(2) funds be requisitioned, and advanced to accountable officers under each separate appropriation head or otherwise.

(b) Such regulations may further provide for the payment of vouchers by authorized disbursing officers by means of checks issued against the general account of the Treasurer of the United States: Provided, That in such case the regulations shall provide for appropriate action in the event of delinquency by disbursing officers in the rendition of their accounts or for other reasons arising out of the condition of the officers' accounts, including under necessary circumstances, the suspension or withdrawal of authority to disburse.

SEC. 116. The Comptroller General is authorized to discontinue the maintenance in the General Accounting Office of appropriation, expenditure, limitation, receipt, and personal ledger accounts when in his opinion the accounting systems and internal control of the executive, legislative, and judicial agencies are sufficient to enable him to perform properly the functions to which such accounts relate.

AUDITING PROVISIONS

SEC. 117. (a) Except as otherwise specifically provided by law, the financial transactions of each executive, legislative, and judicial agency, including but not limited to the accounts of accountable officers, shall be audited by the General Accounting Office in accordance with such principles and procedures and under such rules and regulations as may be prescribed by the Comptroller General of the United States. In the determination of auditing procedures to be followed and the extent of examination of vouchers and other documents, the Comptroller General shall give due regard to generally accepted principles of auditing, including consideration of the effectiveness of accounting organizations and systems, internal audit and control, and related administrative practices of the respective agencies.

(b) Whenever the Comptroller General determines that the audit shall be conducted at the place or places where the accounts and other records of an executive agency are normally kept, he may require any executive agency to retain in whole or in part accounts of accountable officers, contracts, vouchers, and other documents, which are required under existing law to be submitted to the General Accounting Office, under such conditions and for such period not exceeding ten years as he may specify, unless a longer period is agreed upon with the executive agency: Provided, That under agreements between the Comptroller General and legislative and judicial agencies the provisions of this sentence may be extended to the accounts and records of such agencies.

GENERAL PROVISIONS

SEC. 118. As used in this part, the term "executive agency" means any executive department or independent establishment in the executive branch of the Government but (a) except for the purposes of sections 114, 116, and 119 shall not include any Government corporation or agency subject to the Government Corporation Control Act (59 Stat. 597), and (b) except for the purposes of sections 111, 114, and 116 shall not include the Post Office Department.

SEC. 119. The head of each executive agency is authorized to designate the place or places, at the seat of government or elsewhere, at which the administrative examination of fiscal officers' accounts will be performed, and with the concurrence of the Comptroller General to waive the administrative examination in whole or in part: Provided, That the same authority is hereby conferred upon the officers responsible for the administrative examination of accounts for legislative and judicial agencies.

TITLE II—APPROPRIATIONS

TRANSFERS BETWEEN APPROPRIATIONS

SEC. 201. After the end of the second full fiscal year following the date of enactment of this Act, with the approval of the President, the head of each department and establishment in the executive branch of the Government is authorized to make transfers

and adjustments between appropriations within his department or establishment in order to promote economy and efficiency, but no appropriation shall be increased or decreased thereby during any fiscal year by more than 5 per centum. Reports of such transfers and adjustments with the reasons therefor shall be made currently to the President and the Congress and shall be summarized annually in the Budget.

AUTHORIZATIONS FOR APPROPRIATIONS

SEC. 202. No requests for legislation, which, if enacted, would authorize subsequent appropriations for a department or establishment in the executive branch of the Government, shall be transmitted to the Bureau of the Budget, to the President, or to the Congress by such department or establishment, or by any organizational unit thereof, without the prior approval of the head of such department or establishment.

REDUCTIONS IN APPROPRIATIONS

SEC. 203. To promote economy and to reduce expenditures, the President is authorized to establish and to modify from time to time reserves from appropriations for the executive branch of the Government to the extent that he determines that the purposes intended by the Congress will be accomplished by the expenditure of amounts less than the amounts appropriated.

ADJUSTMENT OF APPROPRIATIONS FOR REORGANIZATION

SEC. 204. (a) When under authority of law a function or an activity is transferred or assigned from one agency within any department or establishment to another agency in the same department or establishment, the balance of appropriations which are determined by the head of such department or establishment to be available and necessary to finance or discharge the function or activity so transferred or assigned may, with the approval of the President, be transferred to, and be available for use by, the agency to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby authorized to be established, and shall be merged with funds in the applicable existing or newly established appropriation account or accounts and thereafter accounted for as one fund.

(b) When under authority of law a function or activity is transferred or assigned from one department or establishment to another department or establishment, the balance of appropriations which are determined by the President to be available and necessary to finance or discharge the function or activity so transferred or assigned, shall be transferred to and be available for use by the department or establishment to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby authorized to be established and shall be merged with funds in the applicable existing or newly established appropriation account or accounts and thereafter accounted for as one fund.

TITLE III—REPEALS AND SAVING PROVISIONS

REPEALS

SEC. 301. (1) [SEC. 10. That section six of the sundry civil appropriation Act approved August twenty-fourth, nineteen hundred and twelve, is amended to read as follows:

"SEC 6 That there shall be submitted hereafter, in the annual Book of Estimates following every estimate for a general or lump-sum appropriation, except public buildings or other public works constructed under contract, a statement showing in parallel columns:

"First, the number of persons, if any, intended to be employed and the rates of compensation to each, and the amounts contemplated to be expended for each of any other objects or classes of expenditures specified or contemplated in the estimate, including a statement of estimated unit cost of any construction work proposed to be done; and

"Second, the number of persons, if any, employed and the rate of compensation paid each, and the amounts expended for each other object or class of expenditure, and the actual unit cost of any construction work done, out of the appropriation corresponding to the estimate so submitted, during the completed fiscal year next preceding the period for which the estimate is submitted.

"Other notes shall not be submitted following any estimate embraced in the annual Book of Estimates other than such as shall suggest changes in form or order of arrangement of estimates and appropriations and reasons for such changes."]

NOTE.—The above section 10 of act of August 1, 1914 (38 Stat. 680; 31 U. S. C. 582), specifies the obsolete detail of personal services and other statements required with estimates for lump sum appropriations. Its repeal is proposed because it has been superseded by section 204 of the Budget and Accounting Act of 1921.

(2) SEC. 4. That the act entitled "An Act limiting the appropriation of certain moneys for the preparation, issue, and re-issue of certain securities of the United States, and for other purposes," approved May twenty-third, eighteen hundred and seventy-two, and all other acts and parts of acts making permanent appropriations for the expenses of the national loan, except the second section of the act approved July fourteenth, eighteen hundred and seventy, entitled "An Act to authorize the refunding of the national debt," are hereby repealed, this repeal to take place on the first day of July next: [And hereafter the Secretary of the Treasury shall annually submit to Congress detailed estimates of appropriations required for said expenses;]

NOTE.—The above bracketed provision of section 4 of the act of June 20, 1874 (18 Stat. 109; 31 U. S. C. 583 (1)) requires detailed estimates of appropriation for expenses of the national loan. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(3) For payment of certain judgments, including costs of suit, which have been rendered by the United States courts on mandate of the Supreme Court of the United States and by the circuit court of Fond du Lac County, Wisconsin, and not appealed, for which the United States is liable certified to Congress at its present session by the Attorney-General in House Document Numbered Six hundred and sixty-nine, except the two judgments in favor of the Coca-Cola Company, fifty-seven thousand three hundred and seventy-two dollars and seventy-nine cents, together with such additional sum as may be necessary to pay interest at a rate not exceeding four per centum per annum on the respective judgments as may be authorized by law from the date thereof: *Provided*, That none of the judgments herein provided for shall be paid until the right of appeal shall have expired: *Provided further*, That hereafter estimates for the payment of all judgments against the United States, including judgments in Indian depredation claims and of United States courts shall be transmitted to Congress through the Treasury Department as other estimates of appropriations are required to be transmitted].

NOTE.—The above bracketed provision of the first paragraph under the heading "Judgments; United States Courts" of the act of April 27, 1904 (33 Stat. 422; U. S. C. 31, sec. 583 (2)) requires estimates for the payment of judgments against the United States to be submitted in the same manner as other estimates. Its repeal is proposed because it has been superseded by section 201 of the Budget and Accounting Act of 1921.

(4) SEC. 5. That from and after the first day of July, eighteen hundred and eighty-two, and of each year thereafter, the Secretary of the Treasury shall cause all unexpended balances of the permanent and indefinite appropriations for collecting the revenue from customs which shall have remained upon the books of the Treasury for two fiscal years to be carried to the surplus fund and covered into the Treasury [And it shall be the duty of the Secretary of the Treasury to include in his next estimates to Congress, and annually thereafter, a statement specifying in detail the number and class of officers and employees of every grade and nature, with the rate of compensation to each, that may in his judgment be necessary to properly conduct the business of collecting the revenue at each port of entry in the United States, together with an estimate of the amounts required for contingent expenses at each of said ports, and for such additional expenses of the service as cannot be otherwise specifically provided for.]

NOTE.—The above bracketed provision of section 5 of the act of August 5, 1882 (22 Stat. 256; U. S. C. 31, sec. 583 (3)), specifies the detail of personal services required with estimates for the customs service. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(5) MINTS AND ASSAY OFFICES

* * * * *

All laws and parts of laws, to the extent that they make a permanent indefinite appropriation for the expenses of parting and refining bullion, are repealed to

take effect from and after June thirtieth, nineteen hundred and twelve], and the Secretary of the Treasury shall, for the fiscal year nineteen hundred and thirteen, and annually thereafter, submit to Congress, in the regular Book of Estimates, detailed estimates for the expenses of this service].

NOTE.—The above bracketed provision of the act of March 4, 1911 (36 Stat. 1292; U. S. C. 31, sec. 583 (4)), requires detailed estimates for parting and refining bullion. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(6) The Secretary of the Treasury may employ such number of expert money assorters, feeders, and other employees, and expend such sums for contingent and miscellaneous items and for the purchase or construction and installation of paper-money laundering machines as may be necessary, in his judgment, to install, maintain, and operate such laundering machines in the Treasury at Washington and at the subtreasuries: *Provided*, That the money required to pay for such purpose shall not exceed \$60,000, which sum is hereby appropriated, the same to continue available during the fiscal year nineteen hundred and thirteen]: *Provided further*, That estimates hereunder shall be submitted in detail for the fiscal year nineteen hundred and fourteen, and annually thereafter].

NOTE.—The above bracketed provision in the act of August 26, 1912 (37 Stat. 596; U. S. C. 31, sec. 583 (5)), requires detailed estimates for laundering paper money. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

FEDERAL FARM LOAN BOARD

(7) For salaries and expenses under the Federal Farm Loan Board created by the Act approved July seventeenth, nineteen hundred and sixteen, including the salaries of four members thereof at the rate of \$10,000 each per annum, and their actual necessary traveling expenses, and such salaries, fees, and expenses as are authorized by said Act, also not exceeding \$10,000 for rental of quarters in the District of Columbia for such bureaus of the Treasury Department that it may be necessary to move in order to accommodate the Federal Farm Loan Board in the Treasury Building, fiscal year nineteen hundred and seventeen, \$100,000. [A detailed statement of expenditures hereunder shall be made to Congress, and hereafter detailed estimates for appropriations for the Federal Farm Loan Board shall be annually submitted to Congress.]

FEDERAL FARM LOAN BUREAU:

* * * * *

For salaries and expenses under the Federal Farm Loan Board created by the Act approved July seventeenth, nineteen hundred and sixteen, including the actual necessary traveling expenses of the members of the board and such salaries, fees, and expenses as are authorized by said Act, including farm-loan registrars, examiners, and such attorneys, experts, assistants, clerks, laborers, and other employees in the District of Columbia and elsewhere as the Federal Farm Loan Board may find necessary, \$182,080; in all, \$260,000. A detailed statement of expenditures hereunder shall be made to Congress.

[Estimates in detail for all expenditures under the Federal Farm Loan Bureau for the fiscal year nineteen hundred and nineteen, and annually thereafter, shall be submitted to Congress in the annual Book of Estimates.]

NOTE.—The above bracketed provisions of the act of September 8, 1916 (U. S. C. 31, sec. 583 (7)), appearing on page 803 of volume 39 of the Statutes at Large and the act of March 3, 1917 (U. S. C. 31, sec. 583 (7)), appearing on page 1084 of volume 39 of the Statutes at Large, require detailed estimates for the Farm Credit Administration and the Federal Farm Loan Bureau. Their repeal is proposed because they have been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(8) [And hereafter the Secretary of War shall annually submit estimates in detail for river and harbor improvements required for the ensuing fiscal year to the Secretary of the Treasury to be included in, and carried into the sum total of, the Book of Estimates.]

NOTE.—The above bracketed provision, the last sentence on page 48 of volume 30 of the Statutes at Large, in the act of June 4, 1897 (U. S. C. 31, sec. 583 (8)), requires detailed estimates for river and harbor improvements. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(9) SEC. 6. [That estimates of appropriations for fortifications and other works of defense, for the armament thereof, and for the procurement of heavy ordnance

for trial and service shall be submitted to Congress in the Book of Estimates for the fiscal year 1921 and each fiscal year thereafter upon an annual basis.¶

NOTE.—The above bracketed provision, the first sentence of section 6 of the act of March 3, 1919 (40 Stat. 1309; U. S. C. 31, sec. 583 (10)), requires estimates for fortifications, other works of defense, and heavy ordnance to be submitted upon an annual basis. Its repeal is proposed because it is unnecessary in view of section 201 of the Budget and Accounting Act of 1921.

(10) SIGNAL SERVICE OF THE ARMY: For expenses of the Signal Service of the Army, as follows: Purchase, equipment, and repair of field electric telegraphs, signal equipments and stores, binocular glasses, telescopes, heliostats, and other necessary instruments, including necessary meteorological instruments for use on target ranges; war balloons; telephone apparatus (exclusive of exchange service) and maintenance of the same; electrical installations and maintenance at military posts; fire control and direction apparatus and material for field artillery; maintenance and repair of military telegraph lines and cables, including salaries of civilian employees, supplies, and general repairs, and other expenses connected with the duty of collecting and transmitting information for the Army by telegraph or otherwise, two hundred thousand dollars: *Provided*, That of the receipts of the Washington-Alaska Military Cable and Telegraph System that have been covered into the Treasury of the United States, the sum of one hundred and ninety thousand dollars be, and the same is hereby, made available until expended for defraying the cost of such extensions and betterments of the system as may be approved by the Secretary of War, the extent of such extensions and the cost thereof to be reported to Congress by the Secretary of War: *Provided further*, That hereafter detailed estimates shall be submitted to Congress for any further extension of the cable or telegraph lines in the district of Alaska.¶

NOTE.—The above bracketed provision, under the heading "Office of the Chief Signal Officer" in the act of March 2, 1907 (34 Stat. 1159; U. S. C. 31, sec. 583 (11)), requires detailed estimates for extension of cable or telegraph lines in Alaska. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(11) ¶The Postmaster-General shall for the fiscal year eighteen hundred and ninety-nine, and annually thereafter, submit in the annual estimates to Congress estimates in detail as far as practicable for expenses of the free delivery service.¶

NOTE.—The above bracketed provision, the sixth full paragraph appearing on page 648 of volume 29 of the Statutes at Large in the act of March 3, 1897 (U. S. C. 31, sec. 583 (13)), requires detailed estimates for the free delivery service. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(12) Not exceeding twenty per centum of the foregoing sum and not exceeding ten per centum of the sum for investigation as to causes of mine explosions may be used during the fiscal year nineteen hundred and sixteen for personal services in the District of Columbia; and for the fiscal year nineteen hundred and seventeen, and annually thereafter, ¶estimates shall be submitted specifically for all personal services required permanently and entirely in the Bureau of Mines at Washington, District of Columbia, and previously paid from lump-sum or general appropriations;¶

NOTE.—The above bracketed provision under the heading "Bureau of Mines" in the act of March 3, 1915 (38 Stat. 858; U. S. C. 31, sec. 583 (14)), requires submission of specific estimates for personal services in the Bureau of Mines. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(13) For clerk hire, and other services, at eighteen pension agencies during the first seven months of the fiscal year nineteen hundred and thirteen and in the office of the disbursing clerk for the payment of pensions during the last five months of fiscal year nineteen hundred and thirteen and including not exceeding ten thousand dollars for expenses of consolidating and removing records and equipment of pension agencies, three hundred and seventy-five thousand dollars, or so much thereof as may be necessary: *Provided*, That estimates in detail shall be submitted for the fiscal year nineteen hundred and fourteen and annually thereafter for clerks and others employed in the office of the disbursing clerk for the payment of pensions and the amounts to be paid to each.¶

NOTE.—The above bracketed provision, at the end of the fourth paragraph on page 312 of volume 37 of the Statutes at Large, in the act of August 17, 1912 (U. S. C. 31, sec. 583 (15)), requires detailed estimates for personal services for the office of the disbursing clerk for the payment of pensions. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(14) [That the Secretary of Commerce and Labor shall submit to Congress for the fiscal year nineteen hundred and five, and annually thereafter, estimates in detail for all personal services and for all general and miscellaneous expenses for the Department of Commerce and Labor.]

NOTE.—The above bracketed provision, the third paragraph appearing on page 1032 of volume 32 of the Statutes at Large, in the act of March 3, 1903 (U. S. C. 31, sec. 583 (16)), requires detailed estimates of personal service and other expenses for the Commerce and Labor Department. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(15) SEC. 12. That to enforce the provisions of this Act and such regulations as he may establish in pursuance thereof, the Secretary of Commerce and Labor is authorized and directed to depute, in addition to the agent and assistant agent of salmon fisheries now provided by law, from the officers and employees of the Department of Commerce and Labor, a force adequate to the performance of all work required for the proper investigation, inspection, and regulation of the Alaskan fisheries and hatcheries [], and he shall annually submit to Congress estimates to cover the cost of the establishment and maintenance of fish hatcheries in Alaska, the salaries and actual traveling expenses of such officials, and for such other expenditures as may be necessary to carry out the provisions of this Act.]

NOTE.—The above bracketed provision in section 12 of the act of June 26, 1906 (34 Stat. 480; U. S. C. 31, sec. 583 (18)), requires the annual submission of estimates for establishing and maintaining fish hatcheries in Alaska. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(16) CENSUS OFFICE: The unexpended balance of the appropriation made by the sundry civil appropriation Act approved March third, nineteen hundred and one, for salaries and necessary expenses for taking and compiling results of the Twelfth Census is hereby reappropriated and made available for continuing the work of taking the Twelfth Census, and for all expenses, including cost of all printing, arising under and authorized by the Act to provide for a permanent Census Office, approved March sixth, nineteen hundred and two, including the purchase of necessary law books, books of reference and periodicals, and manuscripts []: *Provided*, That estimates in detail for the expenses of the permanent Census Office for the fiscal year nineteen hundred and four and annually thereafter shall be submitted in the regular Book of Estimates.]

NOTE.—The above bracketed provision, at the end of the first full paragraph on page 456 of volume 32 of the Statutes at Large, in the act of June 28, 1902 (U. S. C. 31, sec. 583 (20)), requires the submission of detailed estimates for the expenses of the Census Office. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(17) [Estimates in detail for all expenditures under the Federal Trade Commission for the fiscal year nineteen hundred and seventeen, and annually thereafter, shall be submitted to Congress in the annual Book of Estimates.]

NOTE.—The above bracketed provision, the second full paragraph on page 841 of volume 33 of the Statutes at Large, in the act of March 3, 1915 (U. S. C. 31, sec. 583 (21)), requires the submission of detailed estimates for the Federal Trade Commission. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(18) [The Secretary of Labor shall submit to Congress, for the fiscal year nineteen hundred and fifteen, and annually thereafter, estimates in detail for all personal services and for all general and miscellaneous expenses for the Department of Labor.]

NOTE.—The above bracketed provision, the fourth full paragraph on page 2 of volume 33 of the Statutes at Large, in the act of May 1, 1913 (U. S. C. 31, sec. 583 (22)), requires the submission of detailed estimates for the Department of Labor. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(19) For additional assistants, clerical and otherwise, necessary to establish and maintain a division of information in the Bureau of Immigration and Naturalization, Department of Commerce and Labor, until June thirtieth, nineteen hundred and eight, fifty thousand dollars, which shall be paid from the permanent appropriation for expenses of regulating immigration []: *Provided*, That detailed estimates shall be submitted in the manner required by law for appropriations re-

quired to meet this object during the fiscal year nineteen hundred and nine and thereafter].

NOTE.—The above bracketed provision, under the heading "Bureau of Immigration and Naturalization" of the act of March 4, 1907 (34 Stat. 1329, 1330; U. S. C. 31, sec. 583 (23)), requires the submission of detailed estimates of personal services for a division of information in the Bureau of Immigration and Naturalization. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(20) [UNITED STATES PENITENTIARY, McNEILS ISLAND, WASHINGTON: That for the fiscal year nineteen hundred and ten, and annually thereafter the Attorney-General shall submit estimates in detail for all expenses of maintaining said penitentiary, including salaries of all necessary officers and employees therefor.]

NOTE.—The above bracketed provision, the second full paragraph on page 374 of volume 35 of the Statutes at Large, in the act of May 27, 1908 (U. S. C. 31, sec. 583 (25)), requires the submission of detailed estimates for United States Penitentiary, McNeils Island, Wash. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(21) [For the fiscal year nineteen hundred and fourteen and annually thereafter estimates in detail shall be submitted for all personal services required in the Indian Office.]

NOTE.—The above bracketed provision of the last paragraph on page 396 of volume 37 of the Statutes at Large, in the act of August 23, 1912 (U. S. C. 31, sec. 583 (26)), requires the annual submission of detailed estimates of personal services for the Indian Office. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(22) * * * [Provided, That for the fiscal year 1922 and annually thereafter estimates of appropriations shall be submitted to Congress in the manner prescribed by law for expenses arising in connection with the loans authorized by the various Liberty Bond Acts and the Victory Liberty Loan Act].

NOTE.—The above bracketed provision at the end of the first full paragraph on page 646 of volume 41 of the Statutes at Large, in the act of May 29, 1920 (U. S. C. 31, sec. 584), requires annual submission of estimates for expenses for Liberty and Victory Liberty Loan Acts. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(23) [SEC. 3660. The heads of Departments, in communicating estimates of expenditures and appropriations to Congress, or to any of the committees thereof, shall specify, as nearly as may be convenient, the sources from which such estimates are derived, and the calculations upon which they are founded, and shall discriminate between such estimates as are conjectural in their character and such as are framed upon actual information and applications from disbursing officers. They shall also give references to any law or treaty by which the proposed expenditures are, respectively, authorized, specifying the date of each, and the volume and page of the Statutes at Large, or of the Revised Statutes, as the case may be, and the section of the act in which the authority is to be found.]

NOTE.—The above-bracketed provision, section 3660 of the Revised Statutes (U. S. C. 31, sec. 585), requires that supporting information be furnished with estimates of appropriations. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(24) [Sec. 4. Hereafter the estimates for expenses of the Government, except those for sundry direct expenses, shall be prepared and submitted each year according to the order and arrangement of the appropriation Acts for the year preceding. And any changes in such order and arrangement, and transfers of salaries from one office or bureau to another office or bureau, or the consolidation of offices or bureaus desired by the head of any Executive Department may be submitted by note in the estimates. The committees of Congress in reporting general appropriation bills shall, as far as may be practicable, follow the general order and arrangement of the respective appropriation Acts for the year preceding.]

[Hereafter the heads of the several Executive Departments and all other officers authorized or required to make estimates for the public service shall include in their annual estimates furnished the Secretary of the Treasury for inclusion in the Book of Estimates all estimates of appropriations required for the service of the fiscal year for which they are prepared and submitted, and special or additional estimates for that fiscal year shall only be submitted to carry out laws subsequently enacted, or when deemed imperatively necessary for the

public service by the Department in which they shall originate, in which case such special or additional estimate shall be accompanied by a full statement of its imperative necessity and reasons for its omission in the annual estimates.】

NOTE.—The above bracketed provision, section 4 of the act of June 22, 1906 (34 Stat. 448; U. S. C. 31, sec. 586), specifies the order and arrangement of estimates and general appropriation bills. Its repeal is proposed because it is unnecessary and possibly inconsistent with section 204 of the Budget and Accounting Act of 1921.

(25) 【SEC. 4. When estimates hereafter transmitted to the Treasury for submission to Congress do not in form and arrangement comply with the provisions of section four of the legislative, executive, and judicial appropriation Act, approved June twenty-second, nineteen hundred and six, they shall, under direction of the Secretary of the Treasury, be rearranged so as to comply with said requirements of law.】

NOTE.—The above bracketed provision, section 4 of the act of March 4, 1909 (35 Stat. 907; U. S. C. 31, sec. 587), provides for rearrangement of estimates not conforming to requirements of law. Its repeal is proposed because it is unnecessary in view of sections 207 and 216 of the Budget and Accounting Act of 1921.

(26) 【SEC. 2. Hereafter there shall be submitted in the regular annual estimates to Congress under and as a part of the expenses for "Printing and binding," estimates for all printing and binding required by each of the Executive Departments, their bureaus and offices, and other Government establishments at Washington, District of Columbia, for each fiscal year; and after the fiscal year nineteen hundred and seven no appropriations other than those made specifically and solely for printing and binding shall be used for such purposes in any Executive Department or other Government establishment in the District of Columbia: *Provided*, That nothing in this section shall apply to stamped envelopes, or envelopes and articles of stationery other than letter heads and note heads, printed in the course of manufacture.】

* * * 【*Provided*, That nothing in section two of the sundry civil appropriation Act for the fiscal year ending June thirtieth, nineteen hundred and seven, shall hereafter be held to apply to so much of the printing and binding as is necessary to expedite the work of that branch of The Military Secretary's Office that was formerly known as the Record and Pension Office of the War Department.】

NOTE.—The above bracketed provisions, section 2 of the act of June 30, 1906 (34 Stat. 762; U. S. C. 31, sec. 588); and the proviso in the first paragraph on page 1367 of volume 34 of the Statutes at Large, in the act of March 4, 1907 (U. S. C. 31, sec. 588), require specific estimates for printing and binding. Their repeal is proposed because they have been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921, and by the texts of the various appropriations granted for the departments and agencies.

(27) 【SEC. 3661. The head of each of the Executive Departments, and every other public officer who is authorized to have printing and binding done at the Congressional Printing Office for the use of his Department or public office, shall include in his annual estimate for appropriations for the next fiscal year such sum or sums as may to him seem necessary "for printing and binding, to be executed under the direction of the Congressional Printer."】

NOTE.—The above bracketed provision, section 3661, as amended, of the Revised Statutes (U. S. C. 31, sec. 589), requires submission of estimates for printing and binding to be executed under the direction of the Congressional Printer. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(28) * * * 【*Provided further*, That all printing and engraving for the Geological Survey, the Coast and Geodetic Survey, the Hydrographic Office of the Navy Department, and the Signal Service shall hereafter be estimated for separately and in detail, and appropriated for separately for each of said Bureaus.】

NOTE.—The above bracketed provision of the first paragraph on page 255 of volume 24 of the Statutes at Large, in the act of August 4, 1886 (U. S. C. 31, sec. 590), requires separate estimates for printing and binding for the Geological Survey, the Coast and Geodetic Survey, and the Hydrographic Office of the Navy Department. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(29) 【SEC. 3662. All estimates for the compensation of officers authorized by law to be employed shall be founded upon the express provisions of law, and not upon the authority of executive distribution.】

NOTE.—The above bracketed provision, section 3662 of the Revised Statutes (U. S. C. 31, sec. 591), requires express legal basis for estimates for com-

pensation of officers. Its repeal is proposed because the compensation of all officers authorized by law is now specifically provided for by law.

(30) [SEC. 3663. Whenever any estimate submitted to Congress by the head of a Department asks an appropriation for any new specific expenditure, such as the erection of a public building, or the construction of any public work, requiring a plan before the building or work can be properly completed, such estimate shall be accompanied by full [plan] [plans] and detailed estimates of the cost of the whole work. All subsequent estimates for any such work shall state the original estimated cost, the aggregate amount theretofore appropriated for the same, and the amount actually expended thereupon, as well as the amount asked for the current year for which such estimate is made. And if the amount asked is in excess of the original estimate, the full reasons for the excess, and the extent of the anticipated excess, shall be also stated.]

NOTE.—The above bracketed provision, section 3663 of the Revised Statutes, as amended (U. S. C. 31, sec. 594), requires submission of details of estimates for appropriations for public works. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(31) [SEC. 3664. Whenever the head of a Department, being about to submit to Congress the annual estimates of expenditures required for the coming year, finds that the usual items of such estimates vary materially in amount from the appropriation ordinarily asked for the object named, and especially from the appropriation granted for the same objects for the preceding year, and whenever new items not theretofore usual are introduced into such estimates for any year, he shall accompany the estimates by minute and full explanations of all such variations and new items, showing the reasons and grounds upon which the amounts are required, and the different items added.]

NOTE.—The above bracketed provision, section 3664 of the Revised Statutes (U. S. C. 31, sec. 597), requires submission of supporting data for estimates of expenditures which vary from those of preceding year. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(32) [SEC. 3665. The head of each Department, in submitting to Congress his estimates of expenditures required in his Department during the year then approaching, shall designate not only the amount required to be appropriated for the next fiscal year, but also the amount of the outstanding appropriation, if there be any, which will probably be required for each particular item of expenditure.]

NOTE.—The above bracketed provision, section 3665 of the Revised Statutes (U. S. C. 31, sec. 598), requires that amount of outstanding appropriations be designated in the estimates. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(33) [That it shall be the duty of the Secretary of the Treasury to submit the estimates for the Revenue-Cutter Service for the fiscal year eighteen hundred and ninety-one, and for each year thereafter, in detail, showing separately, the amount required for pay of officers, rations for officers, pay of crews, rations of crews, fuel, repairs and outfits, ship-chandlery, and for traveling and contingent expenses. He shall also include in the annual Book of Estimates a statement showing the authorized number of officers and cadets in the Revenue-Cutter Service, their rank and pay; also the number of men constituting the crews of vessels in said service.]

NOTE.—The above bracketed provision, the second paragraph under the heading "Revenue-Cutter Service" in the act of March 2, 1889 (25 Stat. 907; U. S. C. 31, sec. 600), requires submission of details of estimates for the Coast Guard. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(34) [That the Secretary of the Treasury shall for the fiscal year eighteen hundred and eighty-seven, and for each fiscal year thereafter in the annual estimates, report to Congress the number of persons employed outside of the District of Columbia, as superintendents, clerks, watchmen and otherwise, and paid from appropriations for the construction of public buildings showing where said persons are employed, in what capacity, the length of time and at what rate of compensation.]

NOTE.—The above bracketed provision of the second full paragraph on page 512 of volume 24 of the Statutes at Large, in the act of March 3, 1887 (U. S. C. 31, sec. 601), requires that annual reports of the number of persons employed on public buildings be included in the annual estimates. Its repeal

is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(35) [; and hereafter the Secretary of the Treasury shall annually report to Congress in the Book of Estimates a statement of the expenditure of the appropriation for "repairs and preservation of public buildings" which shall show the amount expended on each public building and the number of persons employed and paid salaries from such appropriation.]

NOTE.—The above bracketed provision of the sixth full paragraph on page 374 of volume 26 of the Statutes at Large, in the act of August 30, 1890 (U. S. C. 31, sec. 601), requires that annual reports on expenditures for repairs to public buildings be included in the estimates. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(36) [and the Secretary of the Treasury shall submit for the fiscal year 1921, and annually thereafter, an estimate of appropriations to refund and pay back duties or taxes erroneously or illegally assessed or collected under the internal-revenue laws, and to pay judgments, including interest and costs, rendered for taxes or penalties erroneously or illegally assessed or collected under the internal-revenue laws.]

NOTE.—The above bracketed provision of section 1317 of the Revenue Act of 1921 (42 Stat. 314; U. S. C. 31, sec. 602) requires submission of estimates for appropriations to refund illegally assessed or collected taxes. Its repeal is proposed because it is inconsistent with sections 201 and 204 of the Budget and Accounting Act of 1921.

(37) [And hereafter the Secretary of State shall in the estimates for the annual expenditures of the expenses of diplomatic and consular service estimate for the entire amount required for its support, including all commercial agents and other officers, whether paid by fees or otherwise, specifying the compensation to be allowed or deemed advisable in each individual case.]

NOTE.—The above bracketed provision, the first paragraph on page 133 of volume 22 of the Statutes at Large, in the act of July 1, 1882 (U. S. C. 31, sec. 603), requires estimates for support of the Foreign Service. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(38) [Hereafter the Secretary of State shall, in submitting estimates for the consular service, segregate, and submit separately, estimates for rent of consular offices, and under contingent expenses estimate for the amount required annually to be expended at consular offices for purposes within the discretion of the Department.]

NOTE.—The above bracketed provision, the eighth paragraph under the heading "Foreign Intercourse" of the act of May 3, 1905 (33 Stat. 1214; U. S. C. 31, sec. 603), requires estimates for contingent expenses and rent of consular offices. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(39) [And hereafter the Secretary of War shall annually submit estimates in detail for river and harbor improvements required for the ensuing fiscal year to the Secretary of the Treasury to be included in, and carried into the sum total of, the Book of Estimates.]

NOTE.—The above bracketed provision, the last paragraph on page 48 of volume 30 of the Statutes at Large, in the act of June 4, 1897 (U. S. C. 31, sec. 604), requires submission of detailed estimates for river and harbor improvements. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(40) [Hereafter estimates shall not be submitted to Congress for appropriations for construction of gun and mortar batteries, modernizing older emplacements, and other construction under the Engineer Department, in connection with fortifications, until after plans and estimates of cost shall have been prepared therefor.]

NOTE.—The above bracketed provision, the eighth paragraph under the heading "Under the Engineer Department" of the act of February 13, 1913 (37 Stat. 671; U. S. C. 31, sec. 605), requires that estimates for Army construction not be submitted until plans and cost estimates have been prepared. Its repeal is proposed because it is inconsistent with section 201 (a) of the Budget and Accounting Act.

(41) [Hereafter all estimates for fortifications for insular possessions of the United States shall be made and submitted to Congress showing amount proposed to be expended at each harbor in each insular possession.]

NOTE.—The above bracketed provision, the sixth paragraph under the heading "Fortifications in Insular Possessions" of the act of March 3, 1905

(33 Stat. 847; U. S. C. 31, sec. 606), requires submission of estimates for amounts to be expended for fortifications at each harbor of our insular possessions. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(42)

SERVICE ARMY AND NAVY HOSPITAL

For one clerk, at twelve hundred dollars; one chief steward, seven hundred and twenty dollars; one assistant steward, four hundred and eighty dollars; two cooks, at four hundred and eighty dollars each; ten nurses, at three hundred and sixty dollars each; two ward-masters, at four hundred and twenty dollars each; one matron, at four hundred and eighty dollars; five laundresses, at one hundred and eighty dollars each; one engineer, at seven hundred and twenty dollars; one superintendent of buildings, at five hundred and twenty dollars; two laborers and watchmen, at four hundred and eighty dollars each; six bathhouse attendants, at three hundred dollars each; six dining-room waiters, at two hundred and forty dollars each; in all, fourteen thousand six hundred and twenty dollars; said sum to be disbursed under the direction of the Secretary of War, as a part of the appropriation for the Medical Department of the Army; and the estimates for this service shall hereafter be submitted as a part of the military establishment.

NOTE.—The above bracketed provision of the first section of the act of August 4, 1886 (24 Stat. 246; U. S. C. 31, sec. 607) requires that estimates for Medical Department of the Army be submitted as part of the military establishment. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(43) [It shall be the duty of the Secretary of the Navy to submit in the Book of Estimates for the fiscal year nineteen hundred and two, and annually thereafter, under the respective bureaus and offices of the Navy Department, a statement in detail, showing the number of persons employed during the previous fiscal year and the rate of compensation of each under appropriations for "Increase of the Navy" or other general appropriations.]

NOTE.—The above bracketed provision, the first full paragraph on page 117 of volume 31 of the Statutes at Large, in the act of April 17, 1900 (U. S. C., title 31, sec. 609), requires submission of personal services detail for general appropriations for the Navy. Its repeal has been proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(44) [SEC. 3668. The Postmaster-General shall submit to Congress at each annual session an estimate of the amount that will be required for the ensuing fiscal year, under each of the following heads:

- First. Transportation of the mails.
- Second. Compensation of postmasters.
- Third. Compensation of clerks in post-offices.
- Fourth. Compensation of letter-carriers.
- Fifth. Compensation of blank-agents and assistants.
- Sixth. Mail depredations and special agents.
- Seventh. Postage-stamps and envelopes.
- Eighth. Ship, steamboat, and way letters.
- Ninth. Dead letters.
- Tenth. Mail-bags.
- Eleventh. Mail locks, keys, and stamps.
- Twelfth. Wrapping-paper.
- Thirteenth. Office-furniture.
- Fourteenth. Advertising.
- Fifteenth. Balances to foreign countries.
- Sixteenth. Rent, light, and fuel for post-offices.
- Seventeenth. Stationery.
- Eighteenth. Miscellaneous.

Such estimates shall show the sums paid under each head, and the names of the persons to whom payments are made out of the miscellaneous fund; but the names of persons employed in detecting depredations on the mail, and of other confidential agents, need not be disclosed.]

NOTE.—The above bracketed provision, section 3668 of the Revised Statutes (U. S. C., title 31, sec. 610), requires submission of details of estimates for the Post Office Department. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(45) Office of the Second Assistant Postmaster General.—For inland mail transportation, namely: For transportation by postal cars, one million two hun-

dred and fifty thousand dollars: *Provided*, That the Postmaster General may use such portion of the postal-car service appropriation as may be spared from it to supply any deficiency that may arise from insufficient appropriations in the item for railway transportation: *Provided*, That hereafter, in making his estimates for railway mail service, the Postmaster General shall separate the estimate for postal-car service from the general estimates; and in case any increase or diminution of service by postal cars shall be made by him, the reasons therefor shall be given in his annual report next succeeding such increase or diminution. And the proviso to the act entitled "An act to provide for a deficiency in the appropriation for transportation of mails by railroads for the fiscal year ending June thirtieth, eighteen hundred and seventy-nine", approved December twenty-first, eighteen hundred and seventy-eight is hereby repealed: *Provided*, That the Postmaster General shall make no deficiency in the appropriation for the current fiscal year by placing postal cars on any line.

NOTE.—The above bracketed provision of the first paragraph on page 357 of volume 20 of the Statutes at Large, in the act of March 3, 1879 (U. S. C., title 31, sec. 611), requires submission of estimates for the Railway Mail Service. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(46) For the United States Geological Survey: For the Geological Survey, and the classification of the public lands, and examination of the geological structure, mineral resources, and products of the national domain, and to continue the preparation of a geological map of the United States, including the pay of temporary employees in the field and office, and all other necessary expenses, to be expended under the direction of the Secretary of the Interior, four hundred thousand dollars: and hereafter the estimates for the Geological Survey shall be itemized.

NOTE.—The above bracketed provision of the first paragraph under the heading "United States Geological Survey" in the act of March 3, 1887 (24 Stat. 527; U. S. C., title 31, sec. 612), requires itemization of estimates for the Geological Survey. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(47) Hereafter, in lieu of the specific estimates for personal services now required by law, there shall be submitted in the Annual Book of Estimates, under each item of appropriation under "General expenses of the Geological Survey," notes showing the number of persons employed and the rate of compensation paid to each from each of said appropriations during the fiscal year next preceding the fiscal year for which estimates are submitted.

NOTE.—The above bracketed provision, the first paragraph on page 455 of volume 32 of the Statutes at Large, in the act of June 28, 1902 (U. S. C., title 31, sec. 612), requires detail of personal services—Geological Survey. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(48) Sec. 4. That hereafter the estimates for appropriations for the Indian service shall be presented in such form as to show the amounts required for each of the agencies in the several States or Territories, and for said States and Territories respectively.

NOTE.—The above bracketed provision, section 4 of the act of August 15, 1876 (19 Stat. 200; U. S. C., title 31, sec. 613), specifies form of estimates for the Indian service. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(49) After July first, nineteen hundred and fourteen, the estimates for appropriations for the Indian Service submitted by the Secretary of the Interior, shall be accompanied by a detailed statement, classified in the manner prescribed in the first paragraph of this section, showing the purposes for which the appropriations are required.

NOTE.—The above bracketed provision, the fourth paragraph of section 26 of the act of June 30, 1913 (38 Stat. 103; U. S. C., title 31, sec. 613), requires detailed estimates for the Indian service. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(50) Hereafter the Secretary of the Interior shall submit in the annual Book of Estimates, following the estimates for each of the national parks, a classified statement of the receipts and expenditures for the complete fiscal year next preceding the fiscal year for which estimates of appropriations are submitted.

NOTE.—The above bracketed provision, the eighth full paragraph on page 1421 of volume 36 of the Statutes at Large, in the act of March 4, 1911 (U. S. C., title 31, sec. 614), requires that statement of receipts and expenditures be submitted with estimates for the national parks. Its repeal is

proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(51) [Insular and Territorial Affairs: For defraying the necessary expenses incurred in the conduct of insular and other territorial matters and affairs within the jurisdiction of the Department of Justice, including the payment of necessary employees at the seat of government or elsewhere, to be selected and their compensation fixed by the Attorney-General, and to be expended under his direction, twenty-five thousand dollars: *Provided*, That estimates under this appropriation shall hereafter be submitted in detail under Legislative, Executive, and Judicial expenses.]

NOTE.—The above bracketed provision, the eighth full paragraph on page 1206 of volume 33 of the Statutes at Large, in the act of March 3, 1905 (U. S. C., title 31, sec. 615), requires submission of detailed estimates for insular and territorial affairs. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(52) [Hereafter the estimates for expenses of government in the Territories shall be submitted through and be subject to revision by the Department of the Interior.]

NOTE.—The above bracketed provision, the fourth full paragraph under the heading "Government in the Territories" of the act of July 16, 1914 (38 Stat. 479; U. S. C., title 31, sec. 616), requires that estimates for government in the Territories be submitted through the Interior Department. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(53) [Detailed Estimates For Executive Officers, Clerks, and Employees Below the Grade of Clerk: The Secretary of Agriculture for the fiscal year nineteen hundred and eighteen, and annually thereafter, shall transmit to the Secretary of the Treasury for submission to Congress in the Book of Estimates detailed estimates for all executive officers, clerks, and employees below the grade of clerk, indicating the salary or compensation of each, necessary to be employed by the various bureaus, offices, and divisions of the Department of Agriculture, and shall include with such estimates a statement of all executive officers, clerks, and employees below the grade of clerk who may have been employed during the last completed fiscal year on any lump fund appropriation for the department, and the salary or compensation of each.]

NOTE.—The above bracketed provision, the first full paragraph on page 492 of volume 39 of the Statutes at Large, in the act of August 11, 1916 (U. S. C., title 31, sec. 617), requires detail of personal services—Agriculture Department. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(54) Rent of Buildings, Department of Agriculture: For rent of buildings and parts of buildings in the District of Columbia, for use of the various bureaus, divisions, and offices of the Department of Agriculture, \$123,689: *Provided*, That the Secretary of Agriculture shall submit annually to Congress in his estimates of appropriations a statement showing what proportion of this appropriation is paid for the quarters occupied by the various branches of the department.]

NOTE.—The above bracketed provision in the first paragraph under the heading "Rent in the District of Columbia" of the act of March 4, 1915 (38 Stat. 1108; U. S. C., title 31, sec. 617), requires that rent in the District of Columbia be specified in Department of Agriculture estimates. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(55) [Hereafter there shall be submitted in the annual Book of Estimates, under each item of appropriation under the head of "Light-House Establishment," notes showing the number of persons employed and the rate of compensation paid to each from each of said appropriations during the fiscal year next preceding the fiscal year for which estimates are submitted.]

NOTE.—The above bracketed provision, the seventh paragraph on page 433 of volume 32 of the Statutes at Large, in the act of June 28, 1902 (U. S. C., title 31, sec. 618), requires detail of personal services—Lighthouse Establishment (not part of Coast Guard). Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(56) [Hereafter there shall be submitted, following each estimate for support of the Light-House Establishment, statements showing the amount required for each object of expenditure mentioned in each of said estimates, together with a

statement of the expenditures under each of such objects for the fiscal year terminated next preceding the period of submitting said estimates.】

NOTE.—The above bracketed provision, the ninth full paragraph on page 755 of volume 36 of the Statutes at Large, in the act of June 25, 1910 (U. S. C., title 31, sec. 618), requires detailed estimates for support of the Lighthouse Establishment (not part of Coast Guard). Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(57) 【That the Commissioner of Fish and Fisheries shall embrace in the estimates of appropriations for the Fish Commission for the fiscal year eighteen hundred and ninety-four, and each year thereafter estimates for all officers, clerks, and other employees whose services are permanent and continuous in their character and deemed to be necessary for an efficient and economical execution of the appropriations for the Fish Commission.】

NOTE.—The above bracketed provision, the fourth full paragraph on page 362 of volume 27 of the Statutes at Large, in the act of August 5, 1892 (U. S. C., title 31, sec. 619), requires detail of personal services—Bureau of Fisheries (now Fish and Wildlife Service of Interior). Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(58) 【Hereafter there shall be submitted, following the estimates under the foregoing appropriation for expenses of regulating immigration, statements showing the amount required for each object of expenditure mentioned in said estimates, together with a statement of the expenditures under each of such objects for the fiscal year terminated next preceding the period of submitting said estimates.】

NOTE.—The above bracketed provision, the first full paragraph on page 764 of volume 36 of the Statutes at Large, in the act of June 25, 1910 (U. S. C., title 31, sec. 620) requires detailed supporting estimates for expenses of regulating immigration. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(59) 【SEC. 6. That for the fiscal year nineteen hundred and sixteen and annually thereafter the estimates of appropriations for the Panama Canal shall be submitted in detail, showing the amounts required for personal services and the amounts required for material including all supplies, under the heads of construction, maintenance, operation, sanitation, and civil government, and following each there shall be submitted notes giving in parallel columns information which will show the number, by grade or classes, of officers, employees, and skilled and unskilled laborers proposed to be paid under each of said appropriations for the ensuing fiscal year and those paid at the close of the fiscal year next preceding the period when said estimates are prepared and submitted; also, in connection with each item for material and miscellaneous purposes other than salaries or pay for personal services the amounts actually expended or obligated, quantities purchased, and prices paid for material or supplies during the entire fiscal year next preceding the preparation and submission of said estimates.】

【There shall also be submitted in connection with the foregoing information, statements of actual unit cost of all construction work done, and of estimated unit cost of work proposed to be done, for the fiscal years, included in the notes so required to be submitted with the annual estimates.】

NOTE.—The above bracketed provision, section 6 of the act of August 1, 1914 (38 Stat. 679; U. S. C., title 31, sec. 621), requires detail of estimates of appropriations for the Panama Canal. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(60) That the Public Printer is hereby authorized to pay to Albert Ordway, out of the current appropriations for printing for Congress, the sum of six hundred and forty-two dollars and ten cents, to reimburse him for expenditures on the index of the Congressional Record; and all payments heretofore made to him by the Public Printer on said account are hereby ratified and confirmed. That the Secretary of the Treasury shall, at the commencement of each session of Congress, report the amount due each claimant whose claim has been allowed in whole or in part to the Speaker of the House of Representatives and the presiding officer of the Senate, who shall lay the same before their respective Houses for consideration. 【And hereafter all estimates of appropriations and estimates of deficiencies in appropriations intended for the consideration and seeking the action of any of the committees of Congress shall be transmitted to Congress through the Secretary of the Treasury, and in no other manner; and the said Secretary shall first cause the same to be properly classified, compiled, indexed, and printed, under the super-

vision of the chief of the division of warrants, estimates, and appropriations of his Department.]

NOTE.—The above bracketed provision, the last full sentence in the first paragraph on page 254 of volume 23 of the Statutes at Large, in the act of July 7, 1884 (U. S. C., title 31, sec. 622), requires that estimates of appropriations be properly classified, compiled, indexed, and printed. Its repeal is proposed because it is obsolete in view of sections 206 and 207 of the Budget and Accounting Act of 1921.

(61) [SEC. 5. Hereafter the Secretary of the Treasury shall require, and it shall be the duty of the head of each Executive Department or other Government establishment to furnish him, within thirty days after the close of each fiscal year, a statement of all money arising from proceeds of public property of any kind or from any source other than the postal service, received by said head of Department or other Government establishment during the previous fiscal year for or on account of the public service, or in any other manner in the discharge of his official duties other than as salary or compensation, which was not paid into the General Treasury of the United States, together with a detailed account of all payments, if any, made from such funds during such year. All such statements, together with a similar statement applying to the Treasury Department, shall be transmitted by the Secretary of the Treasury to Congress at the beginning of each regular session.]

NOTE.—The above bracketed provision, section 5 of the act of June 30, 1906 (34 Stat. 763; U. S. C., title 31, sec. 623), requires an annual statement of receipts from public property, etc., not paid into the General Treasury. Its repeal is proposed because these items would be reported in any event, in the subsequent fiscal year, and the report serves no useful purpose.

(62) Purchase of subsistence supplies:

* * * * *

[Provided, That hereafter the provisions of section five of the Act of June thirtieth, nineteen hundred and six (Thirty-fourth Statutes, page seven hundred and sixty-three), shall not be construed to apply to the Subsistence Department.]

NOTE.—The above bracketed provision, at the end of the first paragraph on page 579 of volume 37 of the Statutes at Large, in the act of August 24, 1912 (U. S. C., title 31, sec. 626), exempts the Subsistence Department (now Quartermaster of the Army) from requirement on preceding page. Its repeal is proposed because it is unnecessary and should be repealed if provision in preceding item is repealed.

(63) [SEC. 7. That no part of any money contained herein or hereafter appropriated in lump sum shall be available for the payment of personal services at a rate of compensation in excess of that paid for the same or similar services during the preceding fiscal year; nor shall any person employed at a specific salary be hereafter transferred and hereafter paid from a lump-sum appropriation a rate of compensation greater than such specific salary, and the heads of departments shall cause this provision to be enforced: *Provided*, That this section shall not apply to mechanics, artisans, their helpers and assistants, laborers, or any other employees whose duties are of similar character and required in carrying on the various manufacturing or constructing operations of the Government.]

NOTE.—The above bracketed provision, section 7, as amended, of the act of August 26, 1912 (37 Stat. 626; 37 Stat. 790; U. S. C., title 31, sec. 629), prohibits use of lump-sum appropriations for the increase of salaries. Its repeal is proposed because it is obsolete, having been superseded by the Classification Act of 1949.

(64) [That hereafter section seven of the Act approved August twenty-sixth, nineteen hundred and twelve (Thirty-seventh Statutes, page six hundred and twenty-six), and any amendments thereto, shall not apply to the payment, out of moneys appropriated or which may be hereafter appropriated in lump sum for the Department of Agriculture, for personal services of employees engaged in strictly scientific or technical work: *Provided*, That nothing contained herein shall be construed to authorize the transfer of any person employed at a specific salary and the payment of compensation from lump-sum appropriations at a rate greater than said specific salary.]

NOTE.—The above bracketed provision, the fourth full paragraph on page 854 of volume 37 of the Statutes at Large, in the act of March 4, 1913 (U. S. C., title 31, sec. 630), exempts scientific or technical employees of the Department of Agriculture from the restriction in the preceding item. Its repeal is proposed because it is unnecessary and tied to the provision in the preceding item which is proposed for repeal.

(65) To pay amounts found due by the accounting officers of the Treasury on account of the appropriation "Transportation, recruiting, and contingent, Bureau of Navigation," for the fiscal year nineteen hundred, nine hundred and thirty-nine dollars and sixty-six cents: *Provided*, That the transportation to their homes, if residents of the United States, of enlisted men and apprentices discharged on medical survey; and the transportation to the place of enlistment, if residents of the United States, of enlisted men and apprentices discharged on account of expiration of enlistment, shall hereafter be chargeable to the appropriation "Transportation, recruiting, and contingent".

NOTE.—The above bracketed provision at the end of the seventh paragraph on page 1030 of volume 31 of the Statutes at Large, in the act of March 3, 1901 (U. S. C., title 31, sec. 633), requires that transportation of men discharged (Navy) be charged to the appropriation "Transportation, recruiting, and contingent." Its repeal is proposed because it is unnecessary and obsolete. The Career Compensation Act of 1949 provides specifically for such transportation. The current appropriation acts contain no appropriation under the title quoted.

(66) [That no part of the appropriations heretofore, herein, or hereafter made for "Increase of the Navy" under the Bureau of Ordnance and no part of allotments of appropriations heretofore or hereafter made to said bureau shall be available for the payment for services or materials used in the construction of any shop, building, living quarters, or other structures, except such temporary structures costing not in excess of \$5,000 each as may be incident to current work of said bureau, or for additions and betterments to any existing shore station facilities unless the appropriation shall in terms specifically authorize such construction or additions and betterments: *Provided*, That nothing herein shall be construed as interfering in any way with any existing contract or any work in progress on the date of the approval of this Act.]

NOTE.—The above bracketed provision, the second paragraph under the heading "Contingent, Bureau of Ordnance" of the act of July 12, 1921 (42 Stat. 128; U. S. C., title 31, sec. 636), imposes restriction upon use of appropriation "Increase of the Navy" for public works. Its repeal is proposed because it is obsolete and will be replaced by a general provision (sec. 616), applicable to all military departments, in chapter X of the general appropriation bill, 1951.

(67) For additional amount for the objects mentioned in the foregoing paragraph and in lieu of expenditures heretofore made therefor from general appropriations for the naval establishment, twenty-six thousand dollars: and hereafter it shall not be lawful to expend, for any of the offices or bureaus of the Navy Department at Washington, any sum out of appropriations made for the naval establishment for any of the purposes mentioned or authorized in the said foregoing paragraph.]

NOTE.—The above bracketed provision of the third paragraph under the heading "Contingent expenses, Navy Department," of the act of June 22, 1906 (34 Stat. 427; U. S. C., title 31, sec. 637), prohibits payment of contingent expenses of the Navy Department from appropriations for the Naval Establishment. Its repeal is proposed because it is unnecessary and obsolete. The proposed 1951 appropriation structure for the Department of the Navy is on a functional basis and completely eliminates, insofar as appropriations are concerned, the previously existing distinction between the Navy Department at Washington and the Naval Establishment in the field.

(68) Increase of the Navy, Equipment: The unexpended balance on June thirtieth, nineteen hundred and fifteen, shall be transferred to appropriation "Increase of the Navy, construction and machinery [," and beginning with July first, nineteen hundred and fifteen, equipment outfits shall be charged to appropriation "Increase of the Navy, construction and machinery]."

NOTE.—The above bracketed provision of the paragraph under the heading "Increase of the Navy, equipment" of the act of March 3, 1915 (38 Stat. 952; U. S. C., title 31, sec. 648), requires that equipment outfits be charged to the appropriation "Increase of the Navy, construction and machinery." Its repeal is proposed because it is unnecessary and obsolete under the current appropriation act, which no longer includes an active appropriation under the title quoted. It is not desirable to provide in permanent law that certain expenses be charged to any given appropriation. Such designation is more appropriately provided at the discretion of the Committees on Appropriations, within the appropriation procedure.

(69) Fuel and Transportation: Coal and other fuel for steamers' and ships' use, including expenses of transportation, storage, and handling the same; maintenance and general operation of machinery of naval coaling depots and coaling plants; water for all purposes on board naval vessels; and ice for the cooling of water, including the expense of transportation and storage of both, \$4,500,000[: *Provided*, That hereafter, when the lowest obtainable cost of transportation of fuel between the Atlantic and Pacific coasts of the United States by merchant carriers is considered excessive, the appropriation "Fuel and transportation" may be charged with the expense of pay, transportation, shipping, and subsistence of civilian officers and crews, and such other incidental expenses as can not be paid from other appropriations, of naval auxiliaries engaged in the transportation of fuel: *Provided*, That the appropriation "Maintenance of naval auxiliaries" is insufficient therefor].

NOTE.—The above bracketed provision in the paragraph under the heading "Fuel and transportation" of the act of March 3, 1915 (38 Stat. 944; U. S. C., title 31, sec. 649), requires that expenses of certain naval auxiliaries be charged against the appropriation "Fuel and transportation." Their repeal is proposed because they are unnecessary and obsolete under the current appropriation act which no longer includes appropriations under the titles quoted. It is not desirable to provide in permanent law that certain expenses be charged to any given appropriation. Such designation is more appropriately provided for, at the discretion of the Committees on Appropriations, within the appropriation procedure.

(70) For allowance for travel, retained and detained pay, clothing not drawn and for interest on deposits, payable to enlisted men on discharge, seven hundred and eighty-eight thousand two hundred and nine dollars and thirty-three cents [: *Provided*, That hereafter sums known as detained pay, which have already been or may hereafter be withheld from the monthly pay of enlisted men of the Army in obedience to court-martial sentences, shall, when repaid, become a charge against the fund "pay of the Army" for the year in which said enlisted men have been or may be discharged].

NOTE.—The above bracketed provision in the tenth paragraph on page 236 of volume 28 of the Statutes at Large, in the act of August 6, 1894 (U. S. C., title 31, sec. 650), requires a charge against fund "Pay of the Army" of repayment of detained pay. Its repeal is proposed because it is unnecessary under current Army pay system and the general provisions of the Defense Appropriation Act, 1951 (sec. 629).

(71) [Hereafter the appropriations "Ordnance-stores ammunition," "Small-arms target practice," and "Ordnance stores and supplies" shall be available for two years to procure the stores authorized by them.]

NOTE.—The above bracketed provision, the fourth full paragraph on page 1175 of volume 34 of the Statutes at Large, in the act of March 2, 1907 (U. S. C., title 31, sec. 655), establishes 2-year availability for procurement under certain Army ordnance appropriations. Its repeal is proposed because it is unnecessary and obsolete. The current appropriation act includes no appropriations under the titles quoted. Items such as this should be provided for in the appropriation text.

(72) On and after July 1, 1923, the cost of transportation of material in connection with the manufacturing and purchasing activities of the Signal Corps, Ordnance Department, Chemical Warfare Service, Air Service, Medical Department, Engineer Department, and the Coast Artillery Corps, and in connection with the construction and installation of fire-control projects at seacoast fortifications by the Coast Artillery Corps may be charged to the appropriations for the work in connection with which such transportation charges are required[: and the Budget estimates for each of such appropriations shall hereafter carry separately the amounts required for such transportation costs].

Note: The above bracketed provision of the first full paragraph on page 1391 of volume 42 of the Statutes at Large, in the act of March 2, 1923 (U. S. C., title 31, sec. 656), requires that transportation charges be separately presented in the estimates for certain Army appropriations. Its repeal is proposed because it is inconsistent with sections 201 and 204 of the Budget and Accounting Act of 1921 (31 U. S. C. 11 and 581).

(73) Manufacture, repairing, procuring, and issuing arms at the national armories, one million seven hundred thousand dollars [: *Provided*, That hereafter no part of the appropriations made for the Ordnance Department shall be used in payment of freight charges on ordnance or ordnance stores issued by said Department].

NOTE.—The above bracketed provision in the seventh full paragraph on page 520 of volume 32 of the Statutes at Large, in the act of June 30, 1902

(U. S. C., title 31, sec. 657), imposes restriction on the use of appropriations for the Ordnance Department (Army) for freight charges. Its repeal is proposed because this provision is unnecessary, and should be provided for in the appropriation text upon the basis of the appropriation structure.

(74) General expenses of public buildings:

* * * * *

[Provided, That expenditures for traveling expenses and subsistence of persons detailed to assist the inspector and assistant inspector of furniture may continue to be made, as heretofore, from the appropriation for "Furniture, and repairs of same, for public buildings" for the remainder of the fiscal year ending June thirtieth, nineteen hundred and ten, and no longer.]

NOTE.—The above bracketed provision in lines 2 through 8 on page 710 of volume 36 of the Statutes at Large, in the act of June 25, 1910 (U. S. C., title 31, sec. 664), prohibits use of appropriations for furniture and repairs to public buildings for paying certain traveling expenses after the fiscal year 1910. Its repeal is proposed because it is obsolete and unnecessary. The current appropriation act does not include an appropriation under the title quoted. Restrictions on the use of any specific appropriation, for purposes therein authorized, can be more appropriately provided for within the appropriation procedures and dealt with in the text of the various appropriations.

(75) **[SEC. 3682. No moneys appropriated for contingent, incidental, or miscellaneous purposes shall be expended or paid for official or clerical compensation.]**

NOTE.—The above bracketed provision, section 3682 of the Revised Statutes (U. S. C., title 31, sec. 674), imposes restrictions on use of appropriations for contingent purposes. Its repeal is proposed because the determination as to which appropriation should be used for a particular object should not be made in permanent law, but should be left open for reconsideration annually. Further, the practice of granting appropriations for contingent, incidental, or miscellaneous expenses has been largely abandoned.

(76) **[SEC. 3683. No part of the contingent fund appropriated to any Department, Bureau, or office, shall be applied to the purchase of any articles except such as the head of the Department shall deem necessary and proper to carry on the business of the Department, Bureau, or office, and shall, by written order, direct to be procured.]**

NOTE.—The above bracketed provision, section 3683 of the Revised Statutes (U. S. C., title 31, sec. 675), restricts purchases from contingent funds. Its repeal is proposed because it is unnecessary, obsolete, and impractical of application. Such restrictions can be more appropriately provided for in annual appropriations.

(77) **[Hereafter section 3683 of the Revised Statutes of the United States shall not be construed to apply to any purchase made by the Department of Commerce when the aggregate amount involved does not exceed the sum of \$25.]**

NOTE.—The above bracketed provision, the second full paragraph on page 1303 of volume 41 of the Statutes at Large, in the act of March 3, 1921 (U. S. C., title 31, sec. 676), exempts Department of Commerce purchases of less than \$25 each from the restriction in the preceding item. Its repeal is proposed because it provides an exception to the section which would be repealed under the preceding item.

(78) For contingent expenses of the Post Office Department:

* * * * *

[Provided, That hereafter the expenditure of the contingent expenses of the Post-Office Department shall be expended as specially directed in the law, and according to the appropriations for the items specifically named, and that no moneys appropriated for the specific purposes named under the head of "For contingent expenses of the Post-Office Department" shall be diverted from one purpose to another; and that all moneys unexpended for one or more specific purposes shall be turned into the Treasury, and not expended, by the superintendent and disbursing officer, for any object or purpose whatsoever other than the specific ones named in the appropriation for the "Contingent expenses of the Post-Office Department"]

NOTE.—The above bracketed provision in lines 7 through 17 on page 203 of volume 20 of the Statutes at Large, in the act of June 19, 1878 (U. S. C., title 31, sec. 677), imposes restrictions on expenditures from appropriations for contingent expenses of the Post Office Department. Its repeal is pro-

posed because it is unnecessary. Such restrictions can be more appropriately provided for in the appropriation text. Moreover, the Revised Statutes require that appropriations be applied solely to the objects for which they are made, and this restriction, relating only to the Post Office Department, is not needed.

(79) [Sec. 3684. All appropriations for public buildings under the control of the Treasury Department shall be available immediately upon the approval of the act containing such appropriations.]

NOTE.—The above bracketed provision, section 3684 of the Revised Statutes (U. S. C., title 31, sec. 681), makes the appropriations for public buildings immediately available when enacted. Its repeal is proposed because it is unnecessary. The time when an appropriation is to become available should be provided for, as necessary, in the appropriation text in order to permit it to be reviewed annually in the light of changing circumstances.

(80) [Sec. 6. That the appropriations made to carry into effect the provisions of legislation authorizing the acquisition of land for sites for public buildings or the enlargement thereof, or for the construction, enlargement, extension, remodeling, or special repairs of public buildings under the control of the Treasury Department, shall be deemed to be available only for the purposes specifically enumerated in said legislation, and the Secretary of the Treasury is hereby authorized and directed to submit to Congress annually detailed estimates of appropriations necessary for defraying all expenses, both in the Office of the Supervising Architect and in the field, of every kind and character incident to, or requisite for, the administrative work of carrying into effect the provisions of this or subsequent public-building Acts, so far as the same relate to public buildings under the control of the Treasury Department, such estimates to be in addition to and separate and apart from the estimates of appropriations providing specifically for the salaries of certain officers and employees in the Office of the Supervising Architect; that the appropriations for said administrative work, when made, shall be immediately available for such personal services and all other expenses and supplies, both for office and field work, as the Secretary of the Treasury may deem necessary and specially order or approve to carry into effect the provisions of this and subsequent Acts relating to the acquisition of land for sites or the enlargement thereof, or for the construction, enlargement, extension, remodeling, or special repairs of public buildings under the control of the Treasury Department, including the annual appropriations under the control of the Supervising Architect: *Provided*, That such persons as may be regularly appointed and paid from such appropriations shall be subject, in all respects, to the laws, rules, and regulations respecting entrance into or separation from the classified civil service of the United States, and shall be employed only in the Office of the Supervising Architect or in field-work of construction and repair under his supervision and control, and the Secretary of the Treasury shall annually submit to Congress in the Book of Estimates a statement, showing the names of all persons whose salaries or compensation are paid from said appropriations, their duties, and the rate of compensation and the amount paid to each of them, respectively: *And provided further*, That this Act shall not be construed as rendering unavailable for the employment of personal services in the Office of the Supervising Architect, or for any other purpose now authorized by law, any of the appropriations or balances of appropriations made prior to July first, nineteen hundred and seven, for the acquisition of land for sites, or the enlargement thereof, or for the erection, enlargement, extension, remodeling, or special repairs of public buildings under the control of the Treasury Department, or any of the annual appropriations under the control of the Supervising Architect. And all appropriations made in full or in part subsequent to July first, nineteen hundred and seven, for extension of the limits of cost of public buildings or sites, or for the acquisition of land for sites, or the enlargement thereof, or for the erection, enlargement, extension, remodeling, or special repairs of public buildings under the control of the Treasury Department, or for any annual appropriation under the control of the Supervising Architect, shall be subject to the provisions hereof.]

NOTE.—The above bracketed provision, section 6 of the Act of May 30, 1908 (U. S. C., title 31, sec. 683), makes appropriations for public buildings available only for purposes specifically enumerated; separate estimates for administrative work. Its repeal is proposed because it has been superseded by the Budget and Accounting Act, or other general laws, such as the Classification Act of 1949, or should otherwise be provided for annually in the appropriation text.

(81) Pay of Assistant Custodians and Janitors: For pay of assistant custodians and janitors, including all personal services in connection with the care of all

public buildings under control of the Treasury Department outside of the District of Columbia, one million and eighty-six thousand two hundred dollars; and the Secretary of the Treasury shall so apportion this sum as to prevent a deficiency therein, and hereafter no other fund appropriated shall be used for this service.]

NOTE.—The above bracketed provision of the paragraph under the heading "Pay of assistant custodians and janitors," on pages 1153 and 1154 of volume 31 of the Statutes at Large, in the act of March 3, 1901 (U. S. C., title 31, sec. 684), prohibits the use of other funds for "Pay of assistant custodians and janitors." Its repeal is proposed because the determination as to which appropriation should be used for a particular object should not be made in permanent law, but should be left open for reconsideration annually. Further, the current appropriation acts contain no appropriation under the title quoted.

(82) [A detailed statement of the expenditure of the appropriations for the United States Commerce Court shall be submitted to Congress at the beginning of each regular session thereof.]

NOTE.—The above bracketed provision, the second paragraph under the heading "United States Commerce Court" of the act of March 4, 1911 (36 Stat. 1234; U. S. C., title 31, sec. 687), requires submission of an annual statement of expenditure of appropriations for the United States Commerce Court. Its repeal is proposed because it is unnecessary. Such reports are provided for in section 201 of the Budget and Accounting Act.

(83) [SEC. 26. On or before the first day of July, nineteen hundred and fourteen, the Secretary of the Interior shall cause a system of bookkeeping to be installed in the Bureau of Indian Affairs, which will afford a ready analysis of expenditures by appropriations and allotments and by units of the service, showing for each class of work or activity carried on, the expenditures for the operation of the service, for repairs and preservation of property, for new and additional property, salaries and wages of employees, and for other expenditures. Provision shall be made by the Secretary of the Interior for further analysis of each of the foregoing classes of expenditures, if, in his judgment, he shall deem it advisable.]

[Annually, after July first, nineteen hundred and fourteen, a detailed statement of expenditures, as hereinbefore described, shall be incorporated in the annual report of the Commissioner of Indian Affairs and transmitted by the Secretary of the Interior to Congress on or before the first Monday in December.]

[Before any appropriation for the Indian Service is obligated or expended, the Secretary of the Interior shall make allotments thereof in conformity with the intent and purpose of this Act, and such allotments shall not be altered or modified except with his approval.]

[After July first, nineteen hundred and fourteen, the estimates for appropriations for the Indian Service submitted by the Secretary of the Interior, shall be accompanied by a detailed statement, classified in the manner prescribed in the first paragraph of this section, showing the purposes for which the appropriations are required.]

NOTE.—The above bracketed provision, section 26 of the act of June 30, 1913 (38 Stat. 103; U. S. C., title 31, sec. 688), requires a system of bookkeeping, including allotment of appropriations, in the Bureau of Indian Affairs; and annual statements. Its repeal is proposed because it has been superseded by the Budget and Accounting Act of 1921, as to paragraphs 1 and 4. Paragraph 2 requires reports already required under section 201 of the Budget and Accounting Act. Also, the Antideficiency Act makes paragraph 3 unnecessary.

(84) [No appropriation or fund made available by this or any other appropriation Act to the executive departments and establishments, including corporations, for personal services shall be available to pay any increased cost resulting from the allocation or reallocation hereafter of a position to a higher grade, or resulting from the creation of a new position, if such increased cost would result in an increase in the total obligations on an annual basis under such appropriation or fund: *Provided*, That this prohibition shall not apply to the initial creation of positions to carry out new programs or functions for which specific appropriations are made available.]

NOTE.—The above bracketed provision, section 400 of the Second Deficiency Appropriation Act, 1947 (U. S. C., title 31, sec. 694), imposes restrictions on the use of appropriations for increases in the cost of personal services. Its repeal is proposed because it is inconsistent with title V of the Classification Act of 1949.

(85) [SEC. 607. (a) It is hereby declared to be the sense of the Congress that in the interest of economy and efficiency the heads of departments, and of independ-

ent establishments or agencies, in the executive branch, including Government-owned or controlled corporations, shall terminate the employment of such of the employees thereof as are not required for the proper and efficient performance of the functions of their respective departments, establishments, and agencies.

[(b) The heads of departments, and of independent establishments or agencies, in the executive branch, including Government-owned or controlled corporations, shall present to the Director of the Bureau of the Budget such information as the Director shall from time to time, but at least quarterly, require for the purpose of determining the numbers of full-time civilian employees (including full-time intermittent employees who are paid on a "when actually employed" basis, and full-time employees paid nominal compensation, such as \$1 a year or \$1 a month) and the man-months of part-time civilian employment (including part-time employment by intermittent employees who are paid on a "when actually employed" basis, and part-time employment by employees paid nominal compensation such as \$1 a year or \$1 a month) required within the United States for the proper and efficient performance of the authorized functions of their respective departments, establishments, and agencies. The Director shall, within sixty days after the date of enactment of this Act and from time to time, but at least quarterly, thereafter, determine the numbers of full-time employees and man-months of part-time employment, which in his opinion are required for such purpose, and any personnel or employment in such department, establishment, or agency in excess thereof shall be released or terminated at such times as the Director shall order. Such determinations, and any numbers of employees or man-months of employment paid in violation of the orders of the Director, shall be reported quarterly to the Congress. Each such report shall include a statement showing for each department, independent establishment, and agency the net increase or decrease in such employees and employment as compared with the corresponding data contained in the next preceding report, together with any suggestions the Director may have for legislation which would bring about economy and efficiency in the use of Government personnel. As used in this subsection the term "United States" shall include the Territories and possessions.]

[(c) Determinations by the Director of numbers of employees and man-months of employment required shall be by such appropriation units or organization units as he may deem appropriate.]

[(d) The Director shall maintain a continuous study of all appropriations and contract authorizations in relation to personnel employed and shall, under such policies as the President may prescribe, reserve from expenditure any savings in salaries, wages, or other categories of expense which he determines to be possible as a result of reduced personnel requirements. Such reserves may be released by the Director for expenditure only upon a satisfactory showing of necessity.]

[(e) Casual employees, as defined by the Civil Service Commission, and employees hired without compensation may be excluded from the determinations and reports required by this section.]

[(f) Until the cessation of hostilities in the present war as proclaimed by the President, the provisions of this section shall not be applicable to individuals employed or paid by or through the War Shipping Administration (A) who are outside the United States, (B) to whom the provisions of section 1 (a) of the Act of March 24, 1943 (Public Law Numbered 17, Seventy-eighth Congress), are applicable, (C) who are undergoing a course of training under the United States Maritime Service or who have completed such training and are awaiting assignment to ships, or (D) who are on stand-by wages awaiting assignment to ships. As used in this subsection the term "United States" means the several States and the District of Columbia.]

[(g) (1) In carrying out the provisions of subsection (b) of this section—

[(A) with respect to the department (other than the Departments of the Army and the Department of the Navy), establishments, and agencies (including Government-owned or controlled corporations) in the executive branch, the Director shall so determine the numbers of full-time civilian employees and the man-months of part-time employment on the basis of the relative needs of such departments, establishments, and agencies for personnel, that the aggregate number of such civilian employees (including the full-time equivalent of man-months of part-time employment) shall not exceed (i) five hundred and twenty-eight thousand nine hundred and seventy-five for the quarter beginning October 1, 1946; (ii) five hundred and one thousand seven hundred and seventy-one for the quarter beginning January 1, 1947; (iii) four hundred and seventy-four thousand five hundred and sixty-seven for the quarter beginning April 1, 1947; and (iv) four hundred and forty-seven thousand three hundred and sixty-three after June 30, 1947;

[(B) with respect to the Department of the Army and the Department of the Navy, the Director shall so determine the numbers of civilian employees (including the full-time equivalent of man-months of part-time employment) that at the earliest date practicable, but in no event later than July 1, 1947, the number shall not exceed one hundred and seventy-six thousand with respect to the Department of the Army, or one hundred thousand with respect to the Department of the Navy.]

The numbers of employees specified in this paragraph shall be regarded as maximum numbers, and nothing herein shall be construed to limit the authority of the Director to establish lower aggregate numbers whenever, in his opinion, the numbers so specified are in excess of those necessary for the proper and efficient exercise of the authorized functions of the departments, establishments, and agencies to which this subsection applies. The procedural provisions of subsection (b) of this section shall be applicable with respect to determinations under this paragraph.

[(2) No provision of law enacted authorizing the employment of personnel by, or appropriating funds for the compensation of personnel of, or conferring additional functions upon, any department, establishment, or agency, shall be construed to authorize the employment of, or payment of compensation to, a greater number of employees subject to this subsection than the number so determined by the Director with respect to such department, establishment, or agency unless such provision of law specifically authorizes the employment or payment of salaries of personnel in excess of such number, or exempts such department, establishment, or agency from the provisions of this subsection, and any such employment or payment not so authorized shall be deemed to be a violation of the provisions of section 3679 of the Revised Statutes of the United States (U. S. C., 1940 edition, title 31, sec. 665).]

[(3) The provisions of this subsection shall not apply with respect to employees whose basic compensation is fixed and adjusted from time to time in accordance with prevailing rates by wage boards or similar administrative authority serving the same purpose. The provisions of subparagraph (A) of paragraph (1) shall not apply with respect to officers and employees in the field service of the Post Office Department or to officers and employees of the Veterans' Administration, but shall apply with respect to officers and employees outside the United States whose compensation is fixed in accordance with the Classification Act of 1923, as amended, and who are not excluded from the provisions of this section by the provisions of subsection (f). The provisions of subparagraph (B) of paragraph (1) shall not apply with respect to officers and employees outside the several States and the District of Columbia.]

NOTE.—The above bracketed provisions, section 607 of the act of June 30, 1945, as amended (59 Stat. 304; U. S. C., title 5, sec. 947), establish personnel ceilings. Their repeal is proposed because such establishment of personnel ceilings is no longer a necessary control. Their effect can be accomplished through existing budgetary controls and appropriation procedures. This view was expressed in the President's budget message for 1948 (p. M-57), which recommended repeal of the statutory provisions for personnel ceiling determinations. Moreover, the draft legislation to revise the Antideficiency Act, which was submitted jointly by the General Accounting Office and the Bureau of the Budget, to the chairman of the Senate Committee on Appropriations on June 5, 1947, recommended repeal of these statutory provisions.

(86) SEC. 3. That it shall be the duty of the heads of the several Executive Departments, and of other officers authorized or required to make estimates, to furnish to the Secretary of the Treasury, on or before the first day of October of each year, their annual estimates for the public service, to be included in the Book of Estimates prepared by law under his direction [; and the Secretary of the Treasury shall submit, as a part of the appendix to the Book of Estimates, such extracts from the annual reports of the several heads of Departments and Bureaus as relate to estimates for appropriations, and the necessities therefor].

NOTE.—The above bracketed provision, section 3 of the act of March 3, 1875, as amended (18 Stat. 370; U. S. C., title 31, sec. 624), requires that extracts from annual reports of department and bureau heads accompany annual estimates. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(87) That there are authorized to be appropriated annually such sums as may be necessary to enable the President, in his discretion and under such regulations as he may prescribe and notwithstanding the provisions of any other Act and upon recommendation of the Director of the Budget, to meet losses sustained

on and after July 1, 1933, by officers, enlisted men, and employees of the United States while in service in foreign countries due to the appreciation of foreign currencies in their relation to the American dollar, and to cover any deficiency in the accounts of the Treasurer of the United States, including interest, arising out of the arrangement approved by the President on July 27, 1933, for the conversion into foreign currencies of checks and drafts of officers, enlisted men, and employees for salaries and expenses: *Provided*, That such action as the President may take shall be binding upon all executive officers of the Government: *Provided further*, That no payments authorized by this Act shall be made to any officers, enlisted men, or employees for periods during which their checks or drafts were converted into foreign currencies under the arrangement hereinbefore referred to: *Provided further*, That allowances and expenditures pursuant to this Act shall not be subject to income taxes: *And provided further*, That the Director of the Budget shall report all expenditures made for this purpose to Congress annually [with the Budget estimates].

NOTE.—The above bracketed provision of the act of March 26, 1934, as amended (48 Stat. 466; U. S. C., title 5, sec. 118c), requires reports of expenditures for losses resulting from appreciation of foreign currencies to accompany budget estimates. Its repeal is proposed because it is inconsistent with sections 201 and 204 of the Budget and Accounting Act of 1921.

(88) Foreign trade and treaty relations: For defraying the necessary expenses incurred in connection with foreign trade relations which come within the jurisdiction of the Department of State, under tariff legislation and otherwise, and in the negotiation and preparation of treaties, arrangements, and agreements for the advancement of commercial and other interests of the United States, and for the maintenance of a division of far eastern affairs in the Department of State, including the payment of necessary employees, at the seat of government or elsewhere, to be selected, and their compensation fixed, by the Secretary of State and to be expended under his direction, fiscal year nineteen hundred and ten, one hundred thousand dollars. A detailed statement showing expenditures, including salaries or rates of compensation paid, under this appropriation shall be reported to Congress by the Secretary of State on the first day of each regular session; and estimates for further appropriations hereunder shall include in detail salaries for all persons to be employed and paid in the Department of State at Washington, District of Columbia].

NOTE.—The above bracketed provision of the paragraph under the heading "Department of State" in the act of August 5, 1909 (36 Stat. 119; U. S. C., title 5, sec. 157), requires detailed estimates of personal services for the Department of State. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(89)

DEPARTMENT OF AGRICULTURE

* * * * *

WORKING CAPITAL FUND

For the establishment of a working capital fund, \$400,000, without fiscal year limitation, for the payment of salaries and other expenses necessary to the maintenance and operation of (1) central duplicating, photographic, and tabulating services, (2) a central motor-transport service for the maintenance, repair, and operation of motor-transport vehicles and other equipment, (3) a central supply service for the purchase, storage, handling, issuance, packing, or shipping of stationery, supplies, equipment, blank forms, and miscellaneous materials, for which stocks thereof, not to exceed \$200,000 in value (except for the value of blank forms) at the close of any fiscal year, may be maintained sufficient to meet, in whole or in part, requirements of the bureaus and offices of the Department in the city of Washington and elsewhere, and (4) such other services as the Secretary, with the approval of the Director of the Bureau of the Budget, determines may be performed more advantageously as central services; said fund to be reimbursed from applicable funds of bureaus, offices, and agencies for which services are performed on the basis of rates which shall include estimated or actual charges for personal services, materials, equipment (including maintenance, repairs, and depreciation) and other expenses: *Provided*, That such central services shall, to the fullest extent practicable, be used to make unnecessary the maintenance of separate like services in the bureaus, offices, and agencies of the department: *Provided further*, That a separate schedule of expenditures and reimbursements, and a statement of the current assets and liabilities of the working capital fund as

of the close of the last completed fiscal year, shall be included in the annual Budget.]

NOTE.—The above bracketed provision in the act of July 12, 1943 (57 Stat. 393; U. S. C., title 5, sec. 558a) requires that certain statements about this working capital fund of the Department of Agriculture be included in the annual budget. Its repeal is proposed because it is inconsistent with sections 201 and 204 of the Budget and Accounting Act of 1921.

(90) The Civil Service Commission shall submit [*annually to the Bureau of the Budget*] estimates of the appropriations necessary to finance the retirement and disability fund and to continue this Act in full force and effect.

NOTE.—The above bracketed provision, of section 17 of the act of May 22, 1920, as amended (41 Stat. 620; U. S. C., title 5, sec. 730), requires submission of estimates of appropriation for the retirement and disability fund for Federal employees. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(91) [SEC. 31. That the commission shall submit annually to the Secretary of the Treasury estimates of the appropriations necessary for the work of the commission.]

NOTE.—The above bracketed provision, section 31 of the act of September 7, 1916, as amended (39 Stat. 749; U. S. C., title 5, sec. 782), requires annual submission of estimates of appropriation for the work formerly performed by the United States Employees' Compensation Commission. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(92) SEC. 35. That there is hereby authorized to be appropriated, from any money in the Treasury not otherwise appropriated, the sum of \$500,000, to be set aside as a separate fund in the Treasury, to be known as the employees' compensation fund. To this fund there shall be added such sums as Congress may from time to time appropriate for the purpose. Such fund, including all additions that may be made to it, is hereby authorized to be permanently appropriated for the payment of the compensation provided by this Act, including the medical, surgical, and hospital services and supplies provided by section nine, and the transportation and burial expenses provided by sections nine and eleven. [The commission shall submit annually to the Secretary of the Treasury estimates of the appropriations necessary for the maintenance of the fund.]

NOTE.—The above bracketed provision, the last sentence of section 35 of the act of September 7, 1916, as amended (39 Stat. 749; U. S. C., title 5, sec. 785), requires submission of estimates for the employees' compensation fund. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(93) [and the Signal Corps of the Army shall remain a part of the Military Establishment under the direction of the Secretary of War, and all estimates for its support shall be included with other estimates for the support of the Military Establishment.]

NOTE.—The above bracketed provision of section 1 of the act of October 1, 1890 (26 Stat. 653; U. S. C., title 10, sec. 214), requires estimates for the support of the Signal Corps of the Army. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(94) SEC. 4. The net proceeds of the sale of the surplus War Department real property hereinbefore designated, and the net proceeds of the sale of surplus War Department real property, including net proceeds derived from the sale of surplus buildings heretofore authorized and not heretofore covered into the Treasury, shall be deposited in the Treasury to the credit of a fund to be known as the Military Post Construction Fund, to be and remain available until expended for permanent construction at military posts in such amounts as may be authorized by law from time to time by the Congress: *Provided*, That where the lands sold were originally reserved from the public domain for military or other public purposes of the United States, before the deposit of the net proceeds of the sale into the Treasury there shall be deducted from the net proceeds of the sale, and paid to the State in which the land is situated in each case the 5 per centum as provided by the Act of March 3, 1845 (Fifth Statutes, page 788), and similar Acts, of the net proceeds of the sale of all such lands as were reserved subsequently to the passage of such Act or Acts, but excepting and excluding, however, from such deduction the appraised value of any buildings or improvements that may have been constructed by the United States upon the said lands [and *provided further*, That estimates of the moneys to be expended from the said Military Post Construction Fund, including a statement

of the specific construction projects embraced in such estimates, shall be submitted annually to Congress in the Budget.]

NOTE.—The above bracketed provision of section 4 of the act of March 12, 1926 (44 Stat. 206; U. S. C., title 10, sec. 1597), requires submission of estimates of expenditures from the Military Post Construction Fund. Its repeal is proposed because it is inconsistent with sections 201 and 204 of the Budget and Accounting Act of 1921.

(95) [and the Secretary of the Interior is directed to submit, for the fiscal year nineteen hundred and nineteen and annually thereafter, estimates of the amounts required for the care, maintenance, and development of the said parks].

NOTE.—The above bracketed provision of section 1 of the act of June 12, 1917, as amended (40 Stat. 153; U. S. C., title 16, sec. 452), requires annual submission of estimates of appropriation for the national parks. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(96) The Director of National Park Service shall provide for the care and maintenance of the national military cemeteries [and for this purpose shall submit an estimate with his annual estimates to the Bureau of the Budget].

NOTE.—The above bracketed provision of section 1 of the act of July 24, 1876, as amended (19 Stat. 99; U. S. C., title 24, sec. 278), requires submission of estimates for the national military cemeteries. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(97) [The aggregate of all estimates of appropriations from the "reclamation fund" contained in the Budget for any fiscal year shall be included in the totals of the Budget for that year.]

NOTE.—The above bracketed provision of section 1 of the act of January 24, 1923 (42 Stat. 1208; U. S. C., title 31, sec. 12), requires that estimates of appropriation from the "reclamation fund" be included in budget totals. Its repeal is proposed because it is inconsistent with sections 201 and 204 of the Budget and Accounting Act of 1921.

(98) [The estimates for the support of the navy shall hereafter show, under the head of Pay of the Navy, the sums allowed for pay of officers belonging to the line, to the several departments of the staff, and to the retired list; the estimates to show under each head the amount allowed for pay proper, for increases due to longevity and foreign service, and for pay at sea rates to officers employed on shore; together with the total number of warrant and petty officers and seamen of the several grades and designations, including as to each class the amount allowed for pay proper and for longevity or service increases. The estimates shall include a list giving the rates of pay for all petty officers and other enlisted men of the navy.]

NOTE.—The above bracketed provision, the second paragraph under the heading "Pay, Miscellaneous" of the act of March 3, 1909 (35 Stat. 754; U. S. C., title 31, sec. 609a), establishes detailed requirements for submission of estimates for "Pay of the Navy" in the annual budget. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(99) [The Postmaster-General shall for the fiscal year eighteen hundred and ninety-eight, and annually thereafter, submit in the annual estimates to Congress estimates in detail for all expenses of the money-order branch of the postal service.]

NOTE.—The above bracketed provision, the third paragraph under the heading "Office of the Fourth Assistant Postmaster General" of the act of June 9, 1896 (29 Stat. 316; U. S. C., title 31, sec. 610a), requires submission of detailed estimates for the money order branch of the postal service in the budget. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(100) * * * [Provided further, That it shall be the duty of the managers of said Home, on or before the first day of October, in each year, to furnish to the Secretary of War estimates, in detail, for the support of said Home for the fiscal year commencing on the first day of July thereafter, and the Secretary of War shall annually include such estimates in his estimates for his Department.]

NOTE.—The above bracketed provision under the heading "National Home for Disabled Volunteer Soldiers" of the act of October 2, 1888, as amended (25 Stat. 543; U. S. C., title 31, sec. 719), requires submission of estimates for the National Home for Disabled Volunteer Soldiers. Its

repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(101) [SEC. 119. ANNUAL ESTIMATES REQUIRED.—The Secretary of War shall cause to be estimated annually the amount necessary for carrying out the provisions of so much of this Act as relates to the militia, and no money shall be expended under said provisions except as shall from time to time be appropriated for carrying them out.]

NOTE.—The above bracketed provision, section 119 of the act of June 3, 1916 (39 Stat. 213; U. S. C., title 32, sec. 25), requires submission of annual estimates for support of the militia. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(102) Hereafter such amount may be expended annually for pay of drafting, technical, and inspection force from the several lump sum appropriations in which specific authority for such expenditure is given, as the Secretary of the Navy may deem necessary within the limitation of appropriation provided for such service in said lump sum appropriations at such rates of compensation as the Secretary of the Navy may prescribe; and the Secretary of the Navy shall each year, in the annual estimates, report to Congress the number of persons so employed, their duties, and the amount paid to each.]

NOTE.—The above bracketed provision of the fourth full paragraph on page 558 of Volume 39 of the Statutes at Large in the act of August 29, 1916 (U. S. C., title 34, sec. 504), requires that the annual estimates shall report on certain Navy employees. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(103) Salaries, force employed on work of the Postal Savings System in the office of the Treasurer of the United States (reimbursable): The Secretary of the Treasury may employ such number of clerks and employees of the several classes and at the several rates of compensation recognized by law, and expend such sums for contingent and miscellaneous items, as may be necessary, in his judgment, to transact the business of the Postal Savings System in the office of the Treasurer of the United States: *Provided*, That the money required to pay such clerks and employees, and contingent and miscellaneous items, not exceeding \$18,000 for the fiscal year nineteen hundred and thirteen, shall be advanced to the Secretary of the Treasury at regular intervals out of any available appropriation for the establishment, maintenance, and extension of postal savings depositories: *Provided further*, That estimates hereunder shall be submitted in detail for the fiscal year nineteen hundred and fourteen, and annually thereafter.]

NOTE.—The above bracketed provision in the third paragraph on page 377 of volume 37 of the Statutes at Large in the act of August 23, 1912 (U. S. C., title 39, sec. 769), requires submission of estimates for certain employees of the Postal Savings System. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(104) [SEC. 27. He shall prepare and submit to the Secretary of the Treasury, annually, in time to have the same embraced in the estimates from that Department, detailed estimates of the sums which will be required for salaries, wages, printing, engraving, lithographing, binding, materials, and other necessary expenses of said Printing Office for the ensuing fiscal year.]

NOTE.—The above bracketed provision, section 27 of the act of January 12, 1895, as amended (28 Stat. 604; U. S. C., title 44, sec. 37), requires submission of estimates for the Government Printing Office. Its repeal is proposed because it has been superseded by section 201 of the Budget and Accounting Act of 1921.

(105) [The Public Printer shall submit for the fiscal year nineteen hundred and ten, and annually thereafter, estimates for all clerks and other employees additional to the foregoing who may be required in the executive or administrative offices of the Government Printing Office; and no funds other than those specifically appropriated under said estimates shall be used during said fiscal year for services in the Government Printing Office of the character specified in said estimates and appropriated for thereunder.]

NOTE.—The above bracketed provision, the eighth full paragraph on page 382 of volume 35 of the Statutes at Large in the act of May 27, 1908 (U. S. C., title 44, sec. 37), requires submission of estimates for personal services in the Government Printing Office. Its repeal is proposed because it has been superseded by section 201 of the Budget and Accounting Act of 1921.

(106) [And hereafter it shall be the duty of the secretary of each Territory to furnish estimates in detail for the lawful expenses thereof, to be presented to the Secretary of the Treasury on or before the first day of October of every year.]

NOTE.—The above bracketed provision, the last paragraph under the heading "Government in the Territories," in the act of June 20, 1874 (18 Stat. 99; U. S. C., title 48, sec. 1456), requires detailed estimates for expenses of Government in the Territories. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

APPENDIX B¹

HOOVER COMMISSION RECOMMENDATIONS IN ITS REPORT No. 7— BUDGETING AND ACCOUNTING

The introduction to this across-the-board report, consisting of 101 printed pages, emphasizes two serious weaknesses in Federal fiscal operations—that the budget does not accurately report costs of activities, and that outmoded accounting methods do not indicate accomplishments for money spent.

The following text digests parts I through V, containing 13 consecutively numbered recommendations in parts I through IV, and five separately numbered recommendations in part V, as the individual views of Commissioner Rowe.

Part I. The Budget: The Federal budget is characterized as "an inadequate document, poorly organized and improperly designed." Four numbered recommendations propose: (1) The use of performance budgets, emphasizing work to be done rather than objects purchased; (2) an immediate survey of the appropriation structure to correct diversity of appropriations; (3) separation of current expenditures from capital outlays; and (4) authorization that the President may spend less than full appropriations if congressional purposes are still carried out.

Part II. Office of the Budget: Five numbered recommendations propose: (5) Close teamwork on budget review between Estimates, Administrative Management, and Fiscal Divisions; (6) close teamwork with Treasury and other offices; (7) emphasis in Office of the Budget on development of standards for performance budgets, and the management research function; and (8) and (9) supervision by President of both publication and statistical activities through Office of the Budget. (See Hoover-Flemming dissent on the latter two recommendations.)

PART III. Reorganization of Accounting: Four numbered recommendations propose: (10) A new Accountant General in Treasury to prescribe administrative accounts subject to approval of Comptroller General, and to prepare summaries of agency accounts and financial reports (see various dissents); (11) instead of shipping millions of vouchers to Washington, Comptroller General should make spot checks in the field; (12) general approval is given to accounting task force recommendations as to accrual accounts, simplification or elimination of warrant system, and changes designed "to reduce staff and red tape"; and (13) continue congressional study of a Government fidelity insurance plan. Number 13 substantially duplicates recommendation No. 10 of Report No. 11 on the Treasury Department.

Part IV. Further Views: A McClellan-Manasco "reservation" would strengthen rather than weaken GAO powers to prescribe administrative accounts, and would avoid legislation which raises jurisdictional questions threatening cooperative work program of three central agencies (General Accounting Office, Bureau of the Budget, and Department of the Treasury). A Rowe "statement," in which Pollock joins, goes in opposite direction, and would authorize a new Accountant General in the Treasury or the Bureau of the Budget to prescribe accounts and settle claims without any GAO participation. An Acheson "dissent" approves Rowe ideas in principle, but prefers three-way cooperative program at this time to avoid "almost insoluble jurisdictional questions." A Hoover-Flemming "reservation" would coordinate statistical and publications units in an Office of General Services rather than in an Office of the Budget.

Part V. Annex and Addenda: These cover two sample performance budgets in detail, and five recommendations strengthening statistical services in an office of the Budget. (See Hoover-Flemming "reservation.")

¹ Excerpts from Senate Report No. 1158, 81st Cong.

SUPPORTING DOCUMENTS

Of several supporting reports, two are printed Task Force Appendix F and D, and the other five are mimeographed documents. Task Force Appendix F (110 pp.) analyzes "archaic (and) outmoded" Federal fiscal budgeting and accounting systems, and includes the proposals summarized above. In addition, however, major departures occur in Report No. 7 from the recommendations in Task Force Appendix F, as follows: The Commission did not agree that the Secret Service of the Treasury should be transferred to the Department of Justice, nor that the new Accountant General in the Treasury should prescribe administrative accounts and settle claims without GAO approval, nor that the present budgetary functions of the Budget Bureau should be transferred to the Treasury Department, nor that the Budget Bureau should "be completely overhauled structurally." In the field of central accounting, Task Force Appendix F also discusses the accrual basis of accounting, simplification or elimination of the present warrant system, and uniform departmental practices, nomenclature and the like.

Task Force Appendix D (21 pp.) deals with the role of Federal statistical agencies, and urges various improvements with relation to collectors of statistics.

Of the five mimeographed supporting documents, three examined separately in detail the operations of the following Divisions in the Bureau of the Budget—Administrative Management (118 pp.), Estimates (74 pp.), and Statistical Standards (18 pp.). The report on the Estimates Division also includes a rather extended analysis of the budget message and document which are deemed "among the more conspicuous failures of American democracy"; by way of improvement, performance budgets are outlined, and legislation is urged requiring "appropriation accounts to be definitely closed and unexpended balances reverted to the Treasury within a maximum of 90 to 120 days after the close of the fiscal year." Finally, two mimeographed documents discuss statistical problems, of which the first is a rather brief report (37 pp.) analyzing the work of the present Statistical Standards Division, and the second, a rather extended report (196 pp.) covering all statistical activities of the Federal Government.

APPENDIX C

COMMENTS OF AGENCIES

The following letters from the Comptroller General of the United States, the Secretary of the Treasury, and the Director of the Bureau of the Budget set forth their views relative to the provisions of the subject bill, S. 3850:

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington 25, July 7, 1950.

HON. JOHN L. McCLELLAN,
*Chairman, Committee on Expenditures in the Executive Departments,
United States Senate.*

MY DEAR MR. CHAIRMAN: Reference is made to your letter of July 5, 1950, requesting an expression of my views on S. 3850 entitled "A bill to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes," which was introduced on June 29, 1950, to replace S. 2054 on which hearings were held by your committee in February and March of this year.

S. 3850 is the result of extended study and discussion between the staff of your committee and representatives of the Bureau of the Budget, the Treasury Department, and the General Accounting Office. It grows out of recommendations made from many viewpoints for the improvement of budgeting, accounting, financial reporting, and auditing for the Government. It lays a solid foundation for modernization and improvement in each of these fields without doing away with any of the essential controls which must be maintained by the Congress. I feel strongly that the bill will provide a complete framework for bringing and keeping the budgeting, accounting, financial reporting, and auditing procedures of the Government up to date. It is the most progressive and important piece of legislation in this field since the enactment of the Budget and Accounting Act in 1921.

Title I on budgeting and accounting contains two parts. The first, on budgeting, clarifies the Budget and Accounting Act to emphasize authority for the preparation of a performance budget with financial information in terms of functions and activities of the Government, and a segregation of operating and of capital and investment programs. Technical amendments to the provisions of the Budget and Accounting Act are made in aid of the objective to develop budgetary information in the manner best suited to present the financial program of the Government. Increased emphasis is placed by the bill on the development by the President, through the Bureau of the Budget, of plans for the organization, coordination, and management of the executive branch with a view to efficient and economical service, and improvements in the gathering, compiling, analysis, and publication of statistical information by the executive branch. The authority granted in these fields would supplement existing authority of the Bureau of the Budget.

Part II of title I comprises a complete Accounting and Auditing Act of 1950. This legislation embodies the principles and objectives of the joint accounting program which is being conducted under the leadership of the Comptroller General of the United States, the Secretary of the Treasury, and the Director of the Bureau of the Budget to improve the Government's accounting, financial reporting, and auditing. The provisions of this part will also facilitate the attainment of the budgetary improvements provided for elsewhere in the bill. Part II spells out clear-cut responsibilities and duties of the Comptroller General, the Secretary of the Treasury, and the head of each executive agency, while at the same time providing for the exercise of these duties and responsibilities in proper relationship and cooperation toward the common goal of making accounting, financial reporting, budgeting, and auditing of the greatest value.

The careful allocation of responsibilities is designed to produce proper accounting in the executive agencies and an integrated accounting system for the Government as a whole. Emphasis is placed on the development and use of agency accounting systems as the foundation for financial control and the production of necessary financial information. Provision is made for progressive improvement and simplification of the present accounting of the Government and a specific basis is laid for more comprehensive and selective performance of the independent audit by the General Accounting Office to the fullest extent practicable at the site of operations. This legislation will lay a solid foundation for carrying out the policies and objectives of the joint accounting program and will provide the flexibility that is urgently needed for putting into effect more economical and efficient accounting and auditing procedures in order to obtain maximum benefits from work now going forward under the program.

Title II provides for certain transfers between appropriations within a 5-percent limit in departments in order to promote economy and efficiency, and requires prior approval of department heads before the submission to the Bureau of the Budget, the President, or the Congress by departments of requests for legislation authorizing subsequent appropriations. It also includes provisions authorizing the President to set up reserves from appropriations for the executive branch when he determines the purposes intended by the Congress will be accomplished by lesser expenditures. Further authority is provided for transfer of balances of appropriations incident to reorganizations in the executive branch.

Title III repeals 106 acts or parts of acts relating mainly to the compilation of the estimates and the furnishing of certain financial data, most of which have been superseded or rendered outmoded by other existing provisions of law, particularly the Budget and Accounting Act of 1921. In my report to you of June 19, 1950, I stated that representatives of the Bureau of the Budget and the General Accounting Office had worked together in the preparation of related data which was furnished to your committee by letter of June 19, 1950, from the Director of the Bureau of the Budget, and that the General Accounting Office concurred generally with the Bureau of the Budget in recommending repeal of these laws. Also included in title III are certain saving provisions which are considered to be necessary in order that no misunderstandings will develop in implementing the provisions of the bill.

To achieve full effectiveness and results from S. 3850 will take considerable time and a great deal of effort on the part of all parties concerned. Nevertheless it embodies what I believe to be the factors needed in carrying out budget and accounting reforms.

S. 3850 in its present form has my unqualified and enthusiastic support and I urge that early action be taken by your committee and by the Congress in order that the budgeting, accounting, reporting, and auditing of the Government can be

simplified, modernized, and made effective to the maximum extent possible. The bill before your committee will make this possible with the result that the Congress and the President will be provided with the information and the means of control needed for the management of our Federal fiscal structure and the public will be afforded full disclosure of the financial operations of the Government. At the same time the bill in no way lessens the control over public expenditures which is exercised by the Congress itself and by its agent, the General Accounting Office.

In closing I wish to express my sincere appreciation of the excellent work done by yourself, other members of your committee, and by the committee staff in developing this legislation.

Sincerely yours,

LINDSAY C. WARREN,
Comptroller General of the United States.

THE SECRETARY OF THE TREASURY,
Washington, July 10, 1950.

HON. JOHN L. McCLELLAN,
*Chairman, Committee on Expenditures in the Executive Departments,
United States Senate,
Washington, D. C.*

MY DEAR MR. CHAIRMAN: This is in response to your letter of July 5, 1950, requesting my views concerning S. 3850, a bill to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes.

The Treasury Department, by virtue of the extensive fiscal services and operations it performs, is vitally interested in seeing that the budgeting, accounting and auditing system of the Government is maintained on the soundest basis. In my opinion S. 3850, if enacted, would provide a solid legislative foundation in law for perfecting such a system.

The bill embodies, in all essential respects, the policies and objectives of the present cooperative program to make the Government's accounting of the greatest value and also it provides certain needed flexibility for putting into effect more economical and efficient procedures to obtain maximum benefits from work that is going forward under that program. An important factor is that the bill establishes a clear division of responsibilities and duties while at the same time providing for the exercise of such duties and responsibilities in proper relationship and in harmony with the common objective of achieving an integrated accounting system.

As I have indicated, the entire bill is favored as a well-balanced piece of legislation to provide an effective budgeting, accounting, reporting, and auditing structure for the Government. Since sections 114 and 115, however, deal with certain special responsibilities and duties of the Secretary of the Treasury, I shall comment more specifically on the provisions of those particular sections.

Section 114 of the bill recognizes the necessity of providing means for systematically bringing together and producing information needed concerning the results of the financial operations of the Government as a whole. It recognizes further that central facilities for that purpose belong in the Treasury Department because of the nature of the fiscal operations, accounting, and reporting it must perform as the center of the Government's finances. With all of this I agree.

Subsection (a) of section 114 places on the Secretary the responsibility for producing financial reports which will make adequate disclosure of the results of the financial operations of the Government. Such reports obviously cannot serve all the many purposes of financial reporting in the Government. They should, however, supply a long standing need on the part of the legislative and executive branches and the public for more complete and consistent presentations concerning the sources of the Government's revenue and other income, the purposes for which public funds are spent, and the Government's position financially. It is highly important that only reports which serve a truly useful purpose be produced, that they be made both understandable and meaningful, and that they be anchored to a firm foundation of reliable accounting results obtained from the various agencies of the Government properly tied in with those central financial accounts which the Treasury Department must maintain because of the general fiscal operations it performs. The central financial reports should meet those tests and be designed with due regard for the needs and interests of all concerned. Of necessity, these central reports must be an outgrowth of the proper development

of accounting in the individual agencies of the Government, including the Treasury Department itself, on the basis of the allocation of responsibilities and duties made by the various provisions of the bill.

To enable the Secretary to carry out his responsibility for central reporting, authority is given him to issue rules and regulations requiring from each executive agency, including each corporation and agency subject to the Government Corporation Control Act, such financial reports and related information as may be necessary. This authority is, of course, essential and it must be exercised with due regard for and in proper relationship to the responsibilities and authority affixed to other agencies of the Government with respect to accounting.

In order that an appropriate operating center will be provided to produce the required central reports, the Secretary is given broad authority, under subsection (b) of section 114, to reorganize accounting functions and change accounting procedures and financial reports within the Treasury Department and to establish organizational and other facilities necessary for that purpose. Such flexibility is essential if the internal accounting and reporting of the Department is to be placed on the most efficient and integrated basis and functions and responsibilities are to be concentrated in a manner to facilitate consolidating the accounting results of other agencies with those of the Department on a reliable and consistent basis for the central reports.

The Treasury Department has a dual interest in accounting—first, with respect to the financial condition and operations of the Government; second, in the financial administration of its own bureaus and offices. Just as the Government needs an operating center for its accounting and reporting as an over-all matter, so also the Department's accounting and reporting work must be properly organized and correlated. There is a natural tendency for any organizational unit to have a self-contained accounting system completely independent of accounting work performed by others, irrespective of the fact that financial transactions often mutually affect different bureaus or offices. What must be done is to determine the extent to which accounting and reporting in different places is unnecessarily duplicating or overlapping and to revise accounting at the points of operations in such a way that there will be a proper degree of reliance between accounting systems and sufficient central accounting controls established to make possible a more unified system for the Department as a whole.

Under subsection (c) of section 114, the system of central accounting and reporting established in the Treasury Department must be consistent with the principles, standards, and related requirements prescribed by the Comptroller General of the United States under section 112 of the bill. This is consistent with the declaration of congressional policy contained in the bill and the intention that various responsibilities shall be discharged in proper relationship and in harmony with the general objective for an integrated financial system. From the standpoint of all concerned, the most satisfactory results should be obtained in building an efficient accounting and reporting system in the Treasury Department by having the active assistance and participation of the Comptroller General in the undertaking.

Important related features of the bill are the specific provisions of sections 112 and 113 for suitable integration between the accounting processes of each executive agency and those of the Treasury Department where such processes coincide. This is highly important because I believe that lack of sufficient attention to this factor in the past has been one of the chief difficulties in providing adequate financial reports for the Government in a composite sense. Such integration is essential if central reports are to be prepared on a reliable and consistent basis without excessive expense caused by the repetitive recording of transactions and the confusion involved in attempting to explain discrepancies between data compiled from various sources on different bases.

Section 115 of the bill gives the Secretary of the Treasury and the Comptroller General of the United States authority to issue joint regulations modifying or eliminating procedures, under existing law, which involve the issuance and countersignature of warrants by them. The joint regulations further may provide for the payment of vouchers by means of checks issued against the general account of the Treasurer of the United States rather than against advances to disbursing officers by individual appropriations. These provisions should afford a means for eliminating in an orderly manner duplication and overlapping of controls and accounting when more simple and economical procedures can be substituted with sufficient safeguards with respect to the control and accounting for the public funds.

The authority to substitute simpler and more economical procedures for those presently required in connection with the issuance and countersignature of war-

ants is desirable and consistent with the general objectives of the bill in connection with accounting and auditing. The exercise of this authority should be based essentially on the full utilization of effective accounting and internal control established in the individual agencies responsible for operations supplemented by appropriate independent audit performed by the General Accounting Office.

Title III of the bill would repeal a number of existing laws relating mainly to the submission of budget estimates. The Treasury Department has no objection to the repeal of any of the laws specified in this title.

The long-range accounting objectives of the Commission on Organization of the Executive Branch of the Government are no different, as far as results are concerned, from the objectives of the present "joint program to improve accounting in the Federal Government." In my opinion, these objectives can be accomplished in the most realistic way under the provisions of this bill.

In view of the need of expediting this report for purposes of the executive session of your committee on July 10, it has not been possible to secure the customary prior clearance from the Bureau of the Budget.

Very truly yours,

JOHN W. SNYDER,
Secretary of the Treasury.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., July 10, 1950.

HON. JOHN L. MCCLELLAN,
*Chairman, Committee on Expenditures in the Executive Departments,
United States Senate, Washington 25, D. C.*

MY DEAR MR. CHAIRMAN: Your letter of July 5, 1950, requested my views on S. 3850, a bill to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes.

I am in general accord with the provisions of this bill and feel that it represents a real advance in budget and accounting legislation.

The principal provisions of S. 3850 pertaining to budgeting, as contained in part I of title I, are those permitting certain flexibility as to the timing for submission of the budget to Congress, giving statutory direction for the presentation of the budget on a performance basis and for the segregation of operating from capital and investment programs, and emphasizing the role of the Bureau of the Budget in assisting the President to improve agency statistical activities and Government organization and management. Other provisions bring up to date and clarify a few sections of the Budget and Accounting Act of 1921 and one section of the Government Corporation Control Act of 1945. This part of the bill provides desirable clarification of existing statutes and includes provisions dealing with recommendations on budgeting and activities of the Bureau of the Budget made by the Commission on Organization of the Executive Branch of the Government. As such, the bill gives strong backing to constructive budgetary improvements now under way.

The second part of title I, cited as the Accounting and Auditing Act of 1950, is in keeping with the objectives and goals of the joint accounting program sponsored by the Comptroller General, the Secretary of the Treasury, and the Director of the Bureau of the Budget. The Bureau of the Budget endorses this part of the bill and feels that it provides a practical basis for continued progress under the joint accounting program.

Title II of the bill includes sections modeled after certain provisions of the National Security Act amendments of 1949 and other provisions to carry out recommendation of the Commission on Organization of the Executive Branch of the Government. These deal with authority to transfer balances of appropriations under certain circumstances, approval by department heads of legislation which would authorize appropriations, and clarification of the President's authority to establish appropriation reserves. The Bureau has no objection to these provisions but feels that, if the general appropriations bill for 1951, when enacted, includes section 1111 thereof dealing with apportionments and reserves, it would be preferable to omit section 203 from this bill.

The Bureau also concurs in title III of S. 3850, which would repeal many statutory provisions that are no longer needed.

Sincerely yours,

F. J. LAWTON, *Director.*

S. 3850

[Report No. 2031]

IN THE SENATE OF THE UNITED STATES

JUNE 29 (legislative day, JUNE 7), 1950

Mr. McCLELLAN (for himself, Mr. EASTLAND, Mr. HOEY, Mr. O'CONOR, Mr. HUMPHREY, Mr. LEAHY, Mr. BENTON, Mr. IVES, Mr. MUNDT, Mrs. SMITH of Maine, and Mr. SCHOEPPel) introduced the following bill; which was read twice and referred to the Committee on Expenditures in the Executive Departments

JULY 12 (legislative day, JULY 1), 1950

Reported by Mr. McCLELLAN, without amendment

A BILL

To authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Budget and Accounting
4 Procedures Act of 1950".

5 **TITLE I—BUDGETING AND ACCOUNTING**

6 **PART I—BUDGETING**

7 **DEFINITION**

8 SEC. 101. Section 2 of the Budget and Accounting Act,
9 1921 (42 Stat. 20), is amended by adding at the end thereof
10 the following:

1 “The term ‘appropriations’ includes, in appropriate con-
2 text, funds and authorizations to create obligations by con-
3 tract in advance of appropriations.”

4 PERFORMANCE BUDGET AND REGULATIONS

5 SEC. 102. (a) Section 201 of such Act is amended
6 to read as follows:

7 “SEC. 201. The President shall transmit to Congress
8 during the first fifteen days of each regular session, the
9 Budget, which shall set forth his Budget message, summary
10 data and text, and supporting detail. The Budget shall
11 set forth in such form and detail as the President may
12 determine—

13 “(a) functions and activities of the Government,
14 constituting a performance budget;

15 “(b) a segregation of operating, and of capital and
16 investment programs;

17 “(c) any other desirable classifications of data;

18 “(d) a reconciliation of the summary data on ex-
19 penditures with proposed appropriations;

20 “(e) estimated expenditures and proposed appro-
21 priations necessary in his judgment for the support of
22 the Government for the ensuing fiscal year, except that
23 estimated expenditures and proposed appropriations for
24 such year for the legislative branch of the Government

1 and the Supreme Court of the United States shall be
2 transmitted to the President on or before October 15 of
3 each year, and shall be included by him in the Budget
4 without revision;

5 “(f) estimated receipts of the Government during
6 the ensuing fiscal year, under (1) laws existing at the
7 time the Budget is transmitted and also (2) under the
8 revenue proposals, if any, contained in the Budget;

9 “(g) actual appropriations, expenditures, and re-
10 cepts of the Government during the last completed fiscal
11 year;

12 “(h) estimated expenditures and receipts, and
13 actual or proposed appropriations of the Government
14 during the fiscal year in progress;

15 “(i) balanced statements of (1) the condition of
16 the Treasury at the end of the last completed fiscal
17 year, (2) the estimated condition of the Treasury at the
18 end of the fiscal year in progress, and (3) the estimated
19 condition of the Treasury at the end of the ensuing fiscal
20 year if the financial proposals contained in the Budget
21 are adopted;

22 “(j) all essential facts regarding the bonded and
23 other indebtedness of the Government; and

24 “(k) such other financial statements and data as

1 in his opinion are necessary or desirable in order to
2 make known in all practicable detail the financial con-
3 dition of the Government.”

4 (b) Section 203 of such Act is amended to read as
5 follows:

6 “SEC. 203. (a) The President from time to time may
7 transmit to Congress such proposed supplemental or defi-
8 ciency appropriations as in his judgment (1) are necessary
9 on account of laws enacted after the transmission of the
10 Budget, or (2) are otherwise in the public interest. He
11 shall accompany such proposals with a statement of the
12 reasons therefor, including the reasons for their omission
13 from the Budget.

14 “(b) Whenever such proposed supplemental or de-
15 ficiency appropriations reach an aggregate which, if they
16 had been contained in the Budget, would have required the
17 President to make a recommendation under subsection (a)
18 of section 202, he shall thereupon make such recommenda-
19 tion.”

20 (c) Section 204 of such Act is amended to read as
21 follows:

22 “SEC. 204. Except as otherwise provided in this Act,
23 the contents, order, and arrangement of the proposed
24 appropriations and the statements of expenditures and esti-
25 mated expenditures contained in the Budget or transmitted

1 under section 203, and the notes and other data submitted
2 therewith, shall conform to requirements prescribed by the
3 President.”

4 (d) Section 205 of such Act is amended to read as
5 follows:

6 “SEC. 205. Whenever any basic change is made in the
7 form of the Budget, the President, in addition to the Budget,
8 shall transmit to Congress such explanatory notes and tables
9 as may be necessary to show where the various items
10 embraced in the Budget of the prior year are contained in
11 the new Budget.”

12 (e) The last sentence of section 207 of such Act is
13 amended to read as follows: “The Bureau, under such rules
14 and regulations as the President may prescribe, shall prepare
15 the Budget, and any proposed supplemental or deficiency
16 appropriations, and to this end shall have authority to
17 assemble, correlate, revise, reduce, or increase the requests
18 for appropriations of the several departments or establish-
19 ments.”

20 (f) Section 214 of such Act is amended to read as
21 follows:

22 “SEC. 214. The head of each department and establish-
23 ment shall prepare or cause to be prepared in each year
24 his requests for regular, supplemental, or deficiency
25 appropriations.”

1 (g) Section 215 of such Act is amended to read as
2 follows:

3 “SEC. 215. The head of each department and establish-
4 ment shall submit his requests for appropriations to the
5 Bureau on or before a date which the President shall deter-
6 mine. In case of his failure to do so, the President shall
7 cause such requests to be prepared as are necessary to enable
8 him to include such requests with the Budget in respect to
9 the work of such department or establishment.”

10 (h) Section 216 of such Act is amended to read as
11 follows:

12 “SEC. 216. Requests for regular, supplemental, or defi-
13 ciency appropriations which are submitted to the Bureau by
14 the head of any department or establishment shall be pre-
15 pared and submitted as the President may determine in
16 accordance with the provisions of section 201.”

17 TRANSITORY PROVISIONS

18 SEC. 103. In order to expedite the conversion from
19 present budgeting and accounting methods to the perform-
20 ance type of Budget contemplated in the amendments made
21 by this part, the head of each department and establishment
22 in the executive branch of the Government, with the ap-
23 proval of the President, is authorized and directed; until the
24 end of the second full fiscal year following the date of the
25 enactment of this Act, to make such transfers and adjust-

1 ments within his department or establishment between ap-
2 propriations available for obligation by such department or
3 establishment in such manner as he deems necessary to
4 cause the obligation and administration of funds and the
5 reports of expenditures to reflect the financial requirements
6 of the functions and activities of the department or estab-
7 lishment. Reports of transfers and adjustments made pur-
8 suant to the authority of this section shall be made currently
9 to the President and the Congress.

10 GOVERNMENT STATISTICAL ACTIVITIES

11 SEC. 104. The President, through the Director of the
12 Bureau of the Budget, is authorized and directed to develop
13 programs and to issue regulations and orders for the im-
14 proved gathering, compiling, analyzing, publishing, and dis-
15 seminating of statistical information for any purpose by the
16 various agencies in the executive branch of the Government.
17 Such regulations and orders shall be adhered to by such
18 agencies.

19 IMPROVED ADMINISTRATION OF EXECUTIVE AGENCIES

20 SEC. 105. The President, through the Director of the
21 Bureau of the Budget, is authorized and directed to evaluate
22 and develop improved plans for the organization, coordina-
23 tion, and management of the executive branch of the Govern-
24 ment with a view to efficient and economical service.

BUSINESS-TYPE BUDGETS

1
2 SEC. 106. The first two sentences of section 102 of the
3 Government Corporation Control Act of 1945 (59 Stat.
4 597), are amended to read as follows: "Each wholly owned
5 Government corporation shall cause to be prepared annually
6 a business-type budget which shall be submitted to the
7 Bureau of the Budget, under such rules and regulations as
8 the President may establish as to the date of submission,
9 the form and content, the classifications of data, and the
10 manner in which such budget program shall be prepared
11 and presented."

PART II—ACCOUNTING AND AUDITING

SHORT TITLE

12
13
14 SEC. 110. This part may be cited as the "Accounting
15 and Auditing Act of 1950".

DECLARATION OF POLICY

16
17 SEC. 111. It is the policy of the Congress in enacting
18 this part that—

19 (a) The accounting of the Government provide full
20 disclosure of the results of financial operations, adequate
21 financial information needed in the management of opera-
22 tions and the formulation and execution of the Budget,
23 and effective control over income, expenditures, funds,
24 property, and other assets.

1 (b) Full consideration be given to the needs and
2 responsibilities of both the legislative and executive
3 branches in the establishment of accounting and report-
4 ing systems and requirements.

5 (c) The maintenance of accounting systems and
6 the producing of financial reports with respect to the
7 operations of executive agencies, including central facil-
8 ities for bringing together and disclosing information on
9 the results of the financial operations of the Government
10 as a whole, be the responsibility of the executive branch.

11 (d) The auditing for the Government, conducted
12 by the Comptroller General of the United States as an
13 agent of the Congress be directed at determining the
14 extent to which accounting and related financial report-
15 ing fulfill the purposes specified, financial transactions
16 have been consummated in accordance with laws, regu-
17 lations or other legal requirements, and adequate internal
18 financial control over operations is exercised, and afford
19 an effective basis for the settlement of accounts of
20 accountable officers.

21 (e) Emphasis be placed on effecting orderly im-
22 provements resulting in simplified and more effective
23 accounting, financial reporting, budgeting, and auditing

1 requirements and procedures and on the elimination of
2 those which involve duplication or which do not serve a
3 purpose commensurate with the costs involved.

4 (f) The Comptroller General of the United States,
5 the Secretary of the Treasury, and the Director of the
6 Bureau of the Budget conduct a continuous program for
7 the improvement of accounting and financial reporting
8 in the Government.

9 ACCOUNTING AND REPORTING PROVISIONS

10 SEC. 112. (a) The Comptroller General of the United
11 States, after consulting the Secretary of the Treasury and the
12 Director of the Bureau of the Budget concerning their ac-
13 counting, financial reporting, and budgetary needs, and con-
14 sidering the needs of the other executive agencies, shall pre-
15 scribe the principles, standards, and related requirements for
16 accounting to be observed by each executive agency, includ-
17 ing requirements for suitable integration between the account-
18 ing processes of each executive agency and the accounting
19 of the Treasury Department. Requirements prescribed by
20 the Comptroller General shall be designed to permit the
21 executive agencies to carry out their responsibilities under
22 section 113 of this part, while providing a basis for integrated
23 accounting for the Government, full disclosure of the results
24 of the financial operations of each executive agency and the
25 Government as a whole, and financial information and control

1 necessary to enable the Congress and the President to dis-
2 charge their respective responsibilities. The Comptroller
3 General shall continue to exercise the authority vested in
4 him by section 205 (b) of the Federal Property and Ad-
5 ministrative Services Act of 1949 (63 Stat. 389) and, to the
6 extent he deems necessary, the authority vested in him by
7 section 309 of the Budget and Accounting Act, 1921 (42
8 Stat. 25). Any such exercise of authority shall be consistent
9 with the provisions of this section.

10 (b) The General Accounting Office shall cooperate
11 with the executive agencies in the development of their
12 accounting systems, including the Treasury Department, in
13 the development and establishment of the system of central
14 accounting and reporting required by section 114 of this
15 part. Such accounting systems shall be approved by the
16 Comptroller General when deemed by him to be adequate
17 and in conformity with the principles, standards, and related
18 requirements prescribed by him.

19 (c) The General Accounting Office shall from time to
20 time review the accounting systems of the executive
21 agencies. The results of such reviews shall be available to
22 the heads of the executive agencies concerned, to the Secre-
23 tary of the Treasury, and to the Director of the Bureau of
24 the Budget, and the Comptroller General shall make such
25 reports thereon to the Congress as he deems proper.

1 SEC. 113. (a) The head of each executive agency
2 shall establish and maintain systems of accounting and in-
3 ternal control designed to provide—

4 (1) full disclosure of the financial results of the
5 agency's activities;

6 (2) adequate financial information needed for the
7 agency's management purposes;

8 (3) effective control over and accountability for
9 all funds, property, and other assets for which the
10 agency is responsible, including appropriate internal
11 audit;

12 (4) reliable accounting results to serve as the basis
13 for preparation and support of the agency's budget re-
14 quests, for controlling the execution of its budget, and
15 for providing financial information required by the
16 Bureau of the Budget under section 213 of the Budget
17 and Accounting Act, 1921 (42 Stat. 23) ;

18 (5) suitable integration of the accounting of the
19 agency with the accounting of the Treasury Depart-
20 ment in connection with the central accounting and
21 reporting responsibilities imposed on the Secretary of
22 the Treasury by section 114 of this part.

23 (b) The accounting systems of executive agencies shall .
24 conform to the principles, standards, and related require-

1 ments prescribed by the Comptroller General pursuant to
2 section 112 (a) of this part.

3 SEC. 114. (a) The Secretary of the Treasury shall pre-
4 pare such reports for the information of the President, the
5 Congress, and the public as will present the results of the
6 financial operations of the Government: *Provided*, That there
7 shall be included such financial data as the Director of the
8 Bureau of the Budget may require in connection with the
9 preparation of the Budget or for other purposes of the
10 Bureau. Each executive agency shall furnish the Secretary
11 of the Treasury such reports and information relating to its
12 financial condition and operations as the Secretary, by rules
13 and regulations, may require for the effective performance
14 of his responsibilities under this section.

15 (b) The Secretary of the Treasury is authorized to
16 establish the facilities necessary to produce the financial re-
17 ports required by subsection (a) of this section. The
18 Secretary is further authorized to reorganize the accounting
19 functions and install, revise, or eliminate accounting pro-
20 cedures and financial reports of the Treasury Department in
21 order to develop effective and coordinated systems of ac-
22 counting and financial reporting in the several bureaus and
23 offices of the Department with such concentration of ac-
24 counting and reporting as is necessary to accomplish inte-

1 gration of accounting results for the activities of the Depart-
2 ment and provide the operating center for the consolidation
3 of accounting results of other executive agencies with those
4 of the Department. The authority vested in and the duties
5 imposed upon the Department by sections 10, 15, and 22 of
6 the Act entitled "An Act making appropriations for the
7 legislative, executive, and judicial branches of the Govern-
8 ment for the fiscal year ending June thirtieth, eighteen hun-
9 dred ninety-five, and for other purposes", approved July 31,
10 1894 (28 Stat. 162, 208-210), may be exercised and
11 performed by the Secretary of the Treasury as a part of his
12 broader authority and duties under this section and in such
13 a manner as to provide a unified system of central ac-
14 counting and reporting on the most efficient and useful basis.

15 (c) The system of central accounting and reporting
16 provided for herein shall be consistent with the principles,
17 standards, and related requirements prescribed by the Comp-
18 troller General pursuant to section 112 of this part.

19 SEC. 115. (a) When the Secretary of the Treasury
20 and the Comptroller General determine that existing pro-
21 cedures can be modified in the interest of simplification, im-
22 provement, or economy, with sufficient safeguards over the
23 control and accounting for the public funds, they may issue

1 joint regulations providing for the waiving, in whole or in
2 part, of the requirements of existing law that—

3 (1) warrants be issued and countersigned in con-
4 nection with the receipt, retention, and disbursement of
5 public moneys and trust funds; and

6 (2) funds be requisitioned, and advanced to ac-
7 countable officers under each separate appropriation
8 head or otherwise.

9 (b) Such regulations may further provide for the pay-
10 ment of vouchers by authorized disbursing officers by means
11 of checks issued against the general account of the Treasurer
12 of the United States: *Provided*, That in such case the regu-
13 lations shall provide for appropriate action in the event of
14 delinquency by disbursing officers in the rendition of their
15 accounts or for other reasons arising out of the condition of
16 the officers' accounts, including under necessary circum-
17 stances, the suspension or withdrawal of authority to
18 disburse.

19 SEC. 116. The Comptroller General is authorized to
20 discontinue the maintenance in the General Accounting Office
21 of appropriation, expenditure, limitation, receipt, and per-
22 sonal ledger accounts when in his opinion the accounting
23 systems and internal control of the executive, legislative,

1 and judicial agencies are sufficient to enable him to perform
2 properly the functions to which such accounts relate.

3 AUDITING PROVISIONS

4 SEC. 117. (a) Except as otherwise specifically pro-
5 vided by law, the financial transactions of each executive,
6 legislative, and judicial agency, including but not limited to
7 the accounts of accountable officers, shall be audited by the
8 General Accounting Office in accordance with such prin-
9 ciples and procedures and under such rules and regulations as
10 may be prescribed by the Comptroller General of the United
11 States. In the determination of auditing procedures to be
12 followed and the extent of examination of vouchers and other
13 documents, the Comptroller General shall give due regard
14 to generally accepted principles of auditing, including con-
15 sideration of the effectiveness of accounting organizations
16 and systems, internal audit and control, and related adminis-
17 trative practices of the respective agencies.

18 (b) Whenever the Comptroller General determines that
19 the audit shall be conducted at the place or places where the
20 accounts and other records of an executive agency are nor-
21 mally kept, he may require any executive agency to retain
22 in whole or in part accounts of accountable officers, contracts,
23 vouchers, and other documents, which are required under
24 existing law to be submitted to the General Accounting
25 Office, under such conditions and for such period not exceed-

1 ing ten years as he may specify, unless a longer period is
 2 agreed upon with the executive agency: *Provided*, That
 3 under agreements between the Comptroller General and
 4 legislative and judicial agencies the provisions of this sentence
 5 may be extended to the accounts and records of such agencies.

6 GENERAL PROVISIONS

7 SEC. 118. As used in this part, the term "executive
 8 agency" means any executive department or independent
 9 establishment in the executive branch of the Government
 10 but (a) except for the purposes of sections 114, 116, and
 11 119 shall not include any Government corporation or agency
 12 subject to the Government Corporation Control Act (59
 13 Stat. 597), and (b) except for the purposes of sections
 14 111, 114, and 116 shall not include the Post Office
 15 Department.

16 SEC. 119. The head of each executive agency is au-
 17 thorized to designate the place or places, at the seat of
 18 government or elsewhere, at which the administrative
 19 examination of fiscal officers' accounts will be performed,
 20 and with the concurrence of the Comptroller General to
 21 waive the administrative examination in whole or in part:
 22 *Provided*, That the same authority is hereby conferred upon
 23 the officers responsible for the administrative examination
 24 of accounts for legislative and judicial agencies.

1 TITLE II—APPROPRIATIONS

2 TRANSFERS BETWEEN APPROPRIATIONS

3 SEC. 201. After the end of the second full fiscal year
4 following the date of enactment of this Act, with the ap-
5 proval of the President, the head of each department and
6 establishment in the executive branch of the Govern-
7 ment is authorized to make transfers and adjustments
8 between appropriations within his department or estab-
9 lishment in order to promote economy and efficiency,
10 but no appropriation shall be increased or decreased thereby
11 during any fiscal year by more than 5 per centum. Reports
12 of such transfers and adjustments with the reasons therefor
13 shall be made currently to the President and the Congress
14 and shall be summarized annually in the Budget.

15 AUTHORIZATIONS FOR APPROPRIATIONS

16 SEC. 202. No requests for legislation, which, if enacted,
17 would authorize subsequent appropriations for a department
18 or establishment in the executive branch of the Government,
19 shall be transmitted to the Bureau of the Budget, to the
20 President, or to the Congress by such department or estab-
21 lishment, or by any organizational unit thereof, without the
22 prior approval of the head of such department or establish-
23 ment.

REDUCTIONS IN APPROPRIATIONS

SEC. 203. To promote economy and to reduce expenditures, the President is authorized to establish and to modify from time to time reserves from appropriations for the executive branch of the Government to the extent that he determines that the purposes intended by the Congress will be accomplished by the expenditure of amounts less than the amounts appropriated.

ADJUSTMENT OF APPROPRIATIONS FOR REORGANIZATION

SEC. 204. (a) When under authority of law a function or an activity is transferred or assigned from one agency within any department or establishment to another agency in the same department or establishment, the balance of appropriations which are determined by the head of such department or establishment to be available and necessary to finance or discharge the function or activity so transferred or assigned may, with the approval of the President, be transferred to, and be available for use by, the agency to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby

1 authorized to be established, and shall be merged with
2 funds in the applicable existing or newly established appro-
3 priation account or accounts and thereafter accounted for as
4 one fund.

5 (b) When under authority of law a function or activity
6 is transferred or assigned from one department or establish-
7 ment to another department or establishment, the balance of
8 appropriations which are determined by the President to be
9 available and necessary to finance or discharge the function
10 or activity so transferred or assigned, shall be transferred to
11 and be available for use by the department or establishment
12 to which said function or activity is transferred or assigned
13 for any purpose for which said funds were originally avail-
14 able. Balances so transferred shall be credited to any
15 applicable existing appropriation account or accounts, or
16 to any new appropriation account or accounts, which are
17 hereby authorized to be established, and shall be merged
18 with funds in the applicable existing or newly established
19 appropriation account or accounts and thereafter accounted
20 for as one fund.

21 TITLE III—REPEALS AND SAVING PROVISIONS

22 REPEALS

23 SEC. 301. The following Acts and parts of Acts are
24 hereby repealed:

1 (1) Section 10 of the Act of August 1, 1914 (38
2 Stat. 680; U. S. C., title 31, sec. 582).

3 (2) So much of section 4 of the Act of June 20, 1874
4 (18 Stat. 109; U. S. C., title 31, sec. 583 (1)), as reads:
5 “; and hereafter the Secretary of the Treasury shall annually
6 submit to Congress detailed estimates of appropriations re-
7 quired for said expenses;”.

8 (3) The last proviso in the first paragraph under the
9 heading “Judgments; United States Courts” of the Act of
10 April 27, 1904 (33 Stat. 422; U. S. C., title 31, sec.
11 583 (2)).

12 (4) The last sentence of section 5 of the Act of August
13 5, 1882 (22 Stat. 256; U. S. C., title 31, sec. 583 (3)).

14 (5) So much of the matter appearing under the heading
15 “Mints and Assay Offices” of the Act of March 4, 1911 (36
16 Stat. 1292; U. S. C., title 31, sec. 583 (4)), as reads:
17 “, and the Secretary of the Treasury shall, for the fiscal year
18 nineteen hundred and thirteen, and annually thereafter, sub-
19 mit to Congress, in the regular book of estimates, detailed
20 estimates for the expenses of this Service”.

21 (6) So much of the matter appearing under the heading
22 “Treasury Department” in the Act of August 26, 1912 (37
23 Stat. 596; U. S. C., title 31, sec. 583 (5)), as reads:

1 *“Provided further, That estimates hereunder shall be sub-*
2 *mitted in detail for the fiscal year 1914, and annually*
3 *thereafter”.*

4 (7) The last sentence of the paragraph under the head-
5 ing “Federal Farm Loan Board” of the Act of September
6 8, 1916 (U. S. C., title 31, sec. 583 (7)), appearing on
7 page 803 of volume 39 of the Statutes at Large; and the
8 third and last paragraph under the heading “Federal Farm
9 Loan Bureau” of the Act of March 3, 1917 (U. S. C., title
10 31, sec. 583 (7)), appearing on page 1084 of volume 39
11 of the Statutes at Large.

12 (8) The last sentence on page 48 of volume 30 of the
13 Statutes at Large, in the Act of June 4, 1897 (U. S. C.,
14 title 31, sec. 583 (8)).

15 (9) The first sentence of section 6 of the Act of March
16 3, 1919 (40 Stat. 1309; U. S. C., title 31, sec. 583 (10)).

17 (10) The last proviso under the heading “Office of the
18 Chief Signal Officer” of the Act of March 2, 1907 (34 Stat.
19 1159; U. S. C., title 31, sec. 583 (11)).

20 (11) The sixth full paragraph appearing on page 648
21 of volume 29 of the Statutes at Large in the Act of March 3,
22 1897 (U. S. C., title 31, sec. 583 (13)).

23 (12) So much of the matter following the heading
24 “Bureau of Mines” in the Act of March 3, 1915 (38 Stat.

1 858; U. S. C., title 31, sec. 583 (14)) as reads: “, estimates
2 shall be submitted specifically for all personal services re-
3 quired permanently and entirely in the Bureau of Mines at
4 Washington, District of Columbia, and previously paid from
5 lump-sum or general appropriations;”.

6 (13) The proviso at the end of the fourth paragraph
7 on page 312 of volume 37 of the Statutes at Large, in the
8 Act of August 17, 1912 (U. S. C., title 31, sec. 583 (15)) .

9 (14) The third paragraph appearing on page 1082 of
10 volume 32 of the Statutes at Large, in the Act of March 3,
11 1903 (U. S. C., title 31, sec. 583 (16)) .

12 (15) So much of section 12 of the Act of June 26,
13 1906 (34 Stat. 480; U. S. C., title 31, sec. 583 (18)) ,
14 as reads: “and he shall annually submit to Congress esti-
15 mates to cover the cost of the establishment and maintenance
16 of fish hatcheries in Alaska, the salaries and actual traveling
17 expenses of such officials, and for such other expenditures as
18 may be necessary to carry out the provisions of this Act”.

19 (16) The proviso at the end of the first full paragraph
20 on page 456 of volume 32 of the Statutes at Large, in the
21 Act of June 28, 1902 (U. S. C., title 31, sec. 583 (20)) .

22 (17) The second full paragraph on page 841 of volume
23 38 of the Statutes at Large, in the Act of March 3, 1915
24 (U. S. C., title 31, sec. 583 (21)) .

1 (18) The fourth full paragraph on page 2 of volume 38
2 of the Statutes at Large, in the Act of May 1, 1913
3 (U. S. C., title 31, sec. 583 (22)).

4 (19) The proviso at the end of the second paragraph
5 under the heading "Bureau of Immigration and Naturaliza-
6 tion" of the Act of March 4, 1907 (34 Stat. 1329, 1330;
7 U. S. C., title 31, sec. 583 (23)).

8 (20) The second full paragraph on page 374 of volume
9 35 of the Statutes at Large, in the Act of May 27, 1908
10 (U. S. C., title 31, sec. 583 (25)).

11 (21) So much of the last paragraph on page 396 of
12 volume 37 of the Statutes at Large, in the Act of August
13 23, 1912 (U. S. C., title 31, sec. 583 (26)), as reads:
14 "For the fiscal year nineteen hundred and fourteen and
15 annually thereafter estimates in detail shall be submitted for
16 all personal services required in the Indian Office,".

17 (22) The proviso at the end of the first full paragraph
18 on page 646 of volume 41 of the Statutes at Large, in the
19 Act of May 29, 1920 (U. S. C., title 31, sec. 584).

20 (23) Section 3660 of the Revised Statutes (U. S. C.,
21 title 31, sec. 585).

22 (24) Section 4 of the Act of June 22, 1906 (34 Stat.
23 448; U. S. C., title 31, sec. 586).

24 (25) Section 4 of the Act of March 4, 1909 (35 Stat.
25 907; U. S. C., title 31, sec. 587).

1 (26) Section 2 of the Act of June 30, 1906 (34 Stat.
2 762; U. S. C., title 31, sec. 588) ; and the proviso in the
3 first paragraph on page 1367 of volume 34 of the Statutes
4 at Large, in the Act of March 4, 1907 (U. S. C., title 31,
5 sec. 588).

6 (27) Section 3661, as amended, of the Revised Statutes
7 (U. S. C., title 31, sec. 589).

8 (28) So much of the first paragraph on page 255 of
9 volume 24 of the Statutes at Large, in the Act of August
10 4, 1886 (U. S. C., title 31, sec. 590), as reads: “: *Pro-*
11 *vided further*, That all printing and engraving for the Geo-
12 logical Survey, the Coast and Geodetic Survey, the Hydro-
13 graphic Office of the Navy Department, and the Signal
14 Service shall hereafter be estimated for separately and in
15 detail, and appropriated for separately for each of said
16 bureaus”.

17 (29) Section 3662 of the Revised Statutes (U. S. C.,
18 title 31, sec. 591).

19 (30) Section 3663 of the Revised Statutes, as amended
20 (U. S. C., title 31, sec. 594).

21 (31) Section 3664 of the Revised Statutes (U. S. C.,
22 title 31, sec. 597).

23 (32) Section 3665 of the Revised Statutes (U. S. C.,
24 title 31, sec. 598).

25 (33) The second paragraph under the heading “Rev-

1 enue-Cutter Service" in the Act of March 2, 1889 (25
2 Stat. 907; U. S. C., title 31, sec. 600).

3 (34) So much of the second full paragraph on page
4 512 of volume 24 of the Statutes at Large, in the Act of
5 March 3, 1887. (U. S. C., title 31, sec. 601), as reads:
6 "That the Secretary of the Treasury shall for the fiscal year
7 eighteen hundred and eighty-seven, and for each fiscal year
8 thereafter in the annual estimates, report to Congress the
9 number of persons employed outside of the District of Co-
10 lumbia, as superintendents, clerks, watchmen and otherwise,
11 and paid from appropriations for the construction of public
12 buildings showing where said persons are employed, in what
13 capacity, the length of time and at what rate of compensa-
14 tion,".

15 (35) So much of the sixth full paragraph on page 374
16 of volume 26 of the Statutes at Large, in the Act of August
17 30, 1890 (U. S. C., title 31, sec. 601) as reads: "; and
18 hereafter the Secretary of the Treasury shall annually re-
19 port to Congress in the book of estimates a statement of
20 the expenditure of the appropriation for 'repairs and preser-
21 vation of public buildings' which shall show the amount
22 expended on each public building and the number of per-
23 sons employed and paid salaries from such appropriation".

24 (36) So much of section 1317 of the Revenue Act of
25 1921 (42 Stat. 314; U. S. C., title 31, sec. 602) as reads:

1 “; and the Secretary of the Treasury shall submit for the
2 fiscal year 1921, and annually thereafter, an estimate of
3 appropriations to refund and pay back duties or taxes
4 erroneously or illegally assessed or collected under the In-
5 ternal Revenue laws, and to pay judgments, including in-
6 terest and costs, rendered for taxes or penalties erroneously
7 or illegally assessed or collected under the internal revenue
8 laws”.

9 (37) The first paragraph on page 133 of volume
10 22 of the Statutes at Large, in the Act of July 1, 1882
11 (U. S. C., title 31, sec. 603).

12 (38) The eighth paragraph under the heading “For-
13 eign Intercourse” of the Act of May 3, 1905 (33 Stat.
14 1214; U. S. C., title 31, sec. 603).

15 (39) The last paragraph on page 48 of volume 30
16 of the Statutes at Large, in the Act of June 4, 1897
17 (U. S. C., title 31, sec. 604).

18 (40) The eighth paragraph under the heading “Under
19 the Engineer Department” of the Act of February 13, 1913
20 (37 Stat. 671; U. S. C., title 31, sec. 605).

21 (41) The sixth paragraph under the heading “Fortifi-
22 cations in Insular Possessions” of the Act of March 3, 1905
23 (33 Stat. 847; U. S. C., title 31, sec. 606).

24 (42) So much of the first section of the Act of Au-
25 gust 4, 1886 (24 Stat. 246; U. S. C., title 31, sec. 607),

1 as reads: "the estimates for the Army and Navy hos-
2 pital service shall be submitted as a part of the military
3 establishment".

4 (43) The first full paragraph on page 117 of volume
5 31 of the Statutes at Large, in the Act of April 17, 1900
6 (U. S. C., title 31, sec. 609).

7 (44) Section 3668 of the Revised Statutes (U. S. C.,
8 title 31, sec. 610).

9 (45) So much of the first paragraph on page 357 of
10 volume 20 of the Statutes at Large, in the Act of March
11 3, 1879 (U. S. C., title 31, sec. 611), as reads: "*Pro-*
12 *vided*, That hereafter, in making his estimates for railway
13 mail service the Postmaster General shall separate the esti-
14 mate for postal-car service from the general estimates; and
15 in case any increase or diminution of service by postal cars
16 shall be made by him, the reasons therefor shall be given
17 in his annual report next succeeding such increase or
18 diminution".

19 (46) So much of the first paragraph under the heading
20 "United States Geological Survey" in the Act of March 3,
21 1887 (24 Stat. 527; U. S. C., title 31, sec. 612), as reads:
22 "; and hereafter the estimates for the Geological Survey
23 shall be itemized".

24 (47) The first paragraph on page 455 of volume 32

1 of the Statutes at Large, in the Act of June 28, 1902
2 (U. S. C., title 31, sec. 612).

3 (48) Section 4 of the Act of August 15, 1876 (19
4 Stat. 200; U. S. C., title 31, sec. 613).

5 (49) The fourth paragraph of section 26 of the Act
6 of June 30, 1913 (38 Stat. 103; U. S. C., title 31, sec.
7 613).

8 (50) The eighth full paragraph on page 1421 of volume
9 36 of the Statutes at Large, in the Act of March 4, 1911
10 (U. S. C., title 31, sec. 614).

11 (51) The eighth full paragraph on page 1206 of volume
12 33 of the Statutes at Large, in the Act of March 3, 1905
13 (U. S. C., title 31, sec. 615).

14 (52) The fourth full paragraph under the heading
15 "Government in the Territories" of the Act of July 16,
16 1914 (38 Stat. 479; U. S. C., title 31, sec. 616).

17 (53) The first full paragraph on page 492 of volume
18 39 of the Statutes at Large, in the Act of August 11, 1916
19 (U. S. C., title 31, sec. 617).

20 (54) The proviso in the first paragraph under the
21 heading "Rent in the District of Columbia" of the Act of
22 March 4, 1915 (38 Stat. 1108; U. S. C., title 31, sec.
23 617).

24 (55) The seventh paragraph on page 433 of volume

1 32 of the Statutes at Large, in the Act of June 28, 1902
2 (U. S. C., title 31, sec. 618) .

3 (56) The ninth full paragraph on page 755 of volume
4 36 of the Statutes at Large, in the Act of June 25, 1910
5 (U. S. C., title 31, sec. 618) .

6 (57) The fourth full paragraph on page 362 of volume
7 27 of the Statutes at Large, in the Act of August 5, 1892
8 (U. S. C., title 31, sec. 619) .

9 (58) The first full paragraph on page 764 of volume
10 36 of the Statutes at Large, in the Act of June 25, 1910
11 (U. S. C., title 31, sec. 620) .

12 (59) Section 6 of the Act of August 1, 1914 (38
13 Stat. 679; U. S. C., title 31, sec. 621) .

14 (60) The last full sentence in the first paragraph on
15 page 254 of volume 23 of the Statutes at Large, in the Act
16 of July 7, 1884 (U. S. C., title 31, sec. 622) .

17 (61) Section 5 of the Act of June 30, 1906 (34 Stat.
18 763; U. S. C., title 31, sec. 626) .

19 (62) The proviso at the end of the first paragraph on
20 page 579 of volume 37 of the Statutes at Large, in the Act
21 of August 24, 1912 (U. S. C., title 31, sec. 626) .

22 (63) Section 7, as amended, of the Act of August 26,
23 1912 (37 Stat. 626; 37 Stat. 790; U. S. C., title 31, sec.
24 629) .

1 (64) The fourth full paragraph on page 854 of volume
2 37 of the Statutes at Large, in the Act of March 4, 1913
3 (U. S. C., title 31, sec. 630).

4 (65) The proviso at the end of the seventh paragraph
5 on page 1030 of volume 31 of the Statutes at Large, in the
6 Act of March 3, 1901 (U. S. C., title 31, sec. 633).

7 (66) The second paragraph under the heading "Con-
8 tingent, Bureau of Ordnance" of the Act of July 12, 1921
9 (42 Stat. 128; U. S. C., title 31, sec. 636), down through
10 the first proviso therein.

11 (67) So much of the third paragraph under the heading
12 "Contingent Expenses, Navy Department" of the Act of
13 June 22, 1906 (34 Stat. 427; U. S. C., title 31, sec. 637),
14 as reads: "and hereafter it shall not be lawful to expend, for
15 any of the offices or bureaus of the Navy Department at
16 Washington, any sum out of appropriations made for the
17 naval establishment for any of the purposes mentioned or
18 authorized in the said foregoing paragraph".

19 (68) So much of the paragraph under the heading "In-
20 crease of the Navy, Equipment" of the Act of March 3, 1915
21 (38 Stat. 952; U. S. C., title 31, sec. 648), as reads: "and
22 beginning with July first, nineteen hundred and fifteen,
23 equipment outfits shall be charged to appropriation 'Increase
24 of the Navy, Construction and Machinery'".

1 (69) The two provisos in the paragraph under the
2 heading "Fuel and Transportation" of the Act of March 3,
3 1915 (38 Stat. 944; U. S. C., title 31, sec. 649).

4 (70) The proviso in the tenth paragraph on page 236
5 of volume 28 of the Statutes at Large, in the Act of August
6 6, 1894 (U. S. C., title 31, sec. 650).

7 (71) The fourth full paragraph on page 1175 of volume
8 34 of the Statutes at Large, in the Act of March 2, 1907
9 (U. S. C., title 31, sec. 655).

10 (72) So much of the first full paragraph on page 1391
11 of volume 42 of the Statutes at Large, in the Act of March
12 2, 1923 (U. S. C., title 31, sec. 656), as reads: "and
13 the Budget estimates for each of such appropriations shall
14 hereafter carry separately the amounts required for such
15 transportation costs".

16 (73) The proviso in the seventh full paragraph on page
17 520 of volume 32 of the Statutes at Large, in the Act of
18 June 30, 1902 (U. S. C., title 31, sec. 657).

19 (74) The proviso in lines 2 through 8 on page 710
20 of volume 36 of the Statutes at Large, in the Act of June 25,
21 1910 (U. S. C., title 31, sec. 664).

22 (75) Section 3682 of the Revised Statutes (U. S. C.,
23 title 31, sec. 674).

24 (76) Section 3683 of the Revised Statutes (U. S. C.,
25 title 31, sec. 675).

1 (77) The second full paragraph on page 1303 of volume
2 41 of the Statutes at Large, in the Act of March 3, 1921
3 (U. S. C., title 31, sec. 676).

4 (78) The proviso in lines 7 through 17 on page 203
5 of volume 20 of the Statutes at Large, in the Act of June
6 19, 1878 (U. S. C., title 31, sec. 677).

7 (79) Section 3684 of the Revised Statutes (U. S. C.,
8 title 31, sec. 681).

9 (80) Section 6 of the Act of May 30, 1908 (U. S. C.,
10 title 31, sec. 683).

11 (81) So much of the paragraph under the heading
12 "Pay of Assistant Custodians and Janitors" on pages 1153
13 and 1154 of volume 31 of the Statutes at Large, in the Act
14 of March 3, 1901 (U. S. C., title 31, sec. 684), as reads:
15 " , and hereafter no other fund appropriated shall be used
16 for this service".

17 (82) The second paragraph under the heading "United
18 States Commerce Court" of the Act of March 4, 1911 (36
19 Stat. 1234; U. S. C., title 31, sec. 687).

20 (83) Section 26 of the Act of June 30, 1913 (38 Stat.
21 103; (U. S. C., title 31, sec. 688).

22 (84) Section 400 of the Second Deficiency Appropria-
23 tion Act, 1947 (U. S. C., title 31, sec. 694).

24 (85) Section 607 of the Act of June 30, 1945, as
25 amended (59 Stat. 304; U. S. C., title 5, sec. 947).

1 (86) Section 3 of the Act of March 3, 1875, as
2 amended (18 Stat. 370; U. S. C., title 31, sec. 624).

3 (87) So much of the Act of March 26, 1934, as
4 amended (48 Stat. 466; U. S. C., title 5, sec. 118c), as
5 reads: "with the Budget estimates".

6 (88) So much of the paragraph under the heading
7 "Department of State" in the Act of August 5, 1909 (36
8 Stat. 119; U. S. C., title 5, sec. 157), as reads: "and
9 estimates for further appropriations hereunder shall include
10 in detail salaries for all persons to be employed and paid
11 in the Department of State at Washington, District of
12 Columbia".

13 (89) The last proviso under the head "Working Capi-
14 tal Fund" in the Act of July 12, 1943 (57 Stat. 393;
15 U. S. C., title 5, sec. 558a).

16 (90) So much of section 17 of the Act of May 22,
17 1920, as amended (41 Stat. 620; U. S. C., title 5, sec.
18 730), as reads: "annually to the Bureau of the Budget".

19 (91) Section 31 of the Act of September 7, 1916, as
20 amended (39 Stat. 749; U. S. C., title 5, sec. 782).

21 (92) The last sentence of section 35 of the Act of
22 September 7, 1916, as amended (39 Stat. 749; U. S. C.,
23 title 5, sec. 785).

24 (93) So much of section 1 of the Act of October 1,
25 1890 (26 Stat. 653; U. S. C., title 10, sec. 214), as

1 reads: "and the Signal Corps of the Army shall remain a
2 part of the Military Establishment under the direction of
3 the Secretary of War, and all estimates for its support shall
4 be included with other estimates for the support of the
5 Military Establishment".

6 (94) The last proviso of section 4 of the Act of March
7 12, 1926 (44 Stat. 206; U. S. C., title 10, sec. 1597).

8 (95) So much of section 1 of the Act of June 12,
9 1917, as amended (40 Stat. 153; U. S. C., title 16, sec.
10 452), as reads: "and the Secretary of the Interior is directed
11 to submit, for the fiscal year nineteen hundred and nineteen
12 and annually thereafter, estimates of the amounts required
13 for the care, maintenance, and development of the said
14 parks."

15 (96) So much of section 1 of the Act of July 24, 1876,
16 as amended (19 Stat. 99; U. S. C., title 24, sec. 278), as
17 requires estimates for the care and maintenance of the na-
18 tional military cemeteries to be submitted annually by the
19 Director of the National Park Service.

20 (97) So much of section 1 of the Act of January 24,
21 1923 (42 Stat. 1208; U. S. C., title 31, sec. 12), as reads:
22 "The aggregate of all estimates of appropriations from the
23 'reclamation fund' contained in the Budget for any fiscal
24 year shall be included in the totals of the Budget for that
25 year."

1 (98) The second paragraph under the heading "Pay,
2 Miscellaneous" of the Act of March 3, 1909 (35 Stat. 754;
3 U. S. C., title 31, sec. 609a).

4 (99) The third paragraph under the heading "Office
5 of the Fourth Assistant Postmaster General" of the Act of
6 June 9, 1896 (29 Stat. 316; U. S. C., title 31, sec. 610a).

7 (100) The last proviso under the heading "National
8 Home for Disabled Volunteer Soldiers" of the Act of October
9 2, 1888, as amended (25 Stat. 543; U. S. C., title 31,
10 sec. 719).

11 (101) Section 119 of the Act of June 3, 1916 (39
12 Stat. 213; U. S. C., title 32, sec. 25).

13 (102) So much of the fourth full paragraph on page
14 558 of volume 39 of the Statutes at Large in the Act of
15 August 29, 1916 (U. S. C., title 34, sec. 504), as reads:
16 "and the Secretary of the Navy shall each year, in the
17 annual estimates, report to Congress the number of persons
18 so employed, their duties, and the amount paid to each".

19 (103) The last proviso in the third paragraph on page
20 377 of volume 37 of the Statutes at Large in the Act of
21 August 23, 1912 (U. S. C., title 39, sec. 769).

22 (104) Section 27 of the Act of January 12, 1895, as
23 amended (28 Stat. 604; U. S. C., title 44, sec. 37).

24 (105) The eighth full paragraph on page 382 of

1 volume 35 of the Statutes at Large in the Act of May 27,
2 1908 (U. S. C., title 44, sec. 37).

3 (106) The last paragraph under the heading "Govern-
4 ment in the Territories" in the Act of June 20, 1874 (18
5 Stat. 99; U. S. C., title 48, sec. 1456).

6 SAVING PROVISIONS

7 SEC. 302. (a) The omission of any provision of law
8 from the provisions of law repealed under section 301
9 shall not be construed as limiting the application of section
10 201 or 216 of the Budget and Accounting Act, 1921, as
11 amended, or the powers of the President thereunder, or as
12 evidencing an intent that such provision was not to be super-
13 seded by such sections.

14 (b) Whenever any law authorizes expenditures for a
15 particular object or purpose to be made from an appro-
16 priation item referred to in such law by the specific title
17 theretofore used for that appropriation item in the appro-
18 priation Act concerned, and thereafter such title is changed
19 or is eliminated from such appropriation Act, expenditures
20 for such object or purpose thereafter may be made from any
21 corresponding appropriation item.

22 (c) Except where authority for performance of a func-
23 tion is specifically repealed in section 301, none of the pro-
24 visions of such section shall be construed as affecting the

1 jurisdiction or responsibility of any agency or officer of the
2 Government over any function or organizational unit referred
3 to in such section.

4 (d) Existing laws, policies, procedures, and directives
5 pertaining to functions covered by this Act, and not incon-
6 sistent herewith or repealed hereby, shall remain in full
7 force and effect unless and until superseded, or except as
8 they may be amended, under the authority of this Act or
9 under other appropriate authority.

A BILL

To authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes.

By Mr. McCLELLAN, Mr. EASTLAND, Mr. HOEX,
Mr. O'CONNOR, Mr. HUMPHREY, Mr. LEAHY,
Mr. BENTON, Mr. IVES, Mr. MURPHY, Mrs.
SMITH of Maine, and Mr. SCHORER.

JUNE 29 (legislative day, JUNE 7), 1950

Read twice and referred to the Committee on
Expenditures in the Executive Departments

JULY 12 (legislative day, JULY 1), 1950

Reported without amendment

BUDGETING AND ACCOUNTING PROCEDURES ACT OF 1950

JULY 13, 1950.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. DAWSON, from the Committee on Expenditures in the Executive Departments, submitted the following

R E P O R T

[To accompany H. R. 9038]

The Committee on Expenditures in the Executive Departments, to whom was referred the bill (H. R. 9038) to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

Page 6, line 17, strike "Transitory Provisions".

Page 6, Beginning with line 18, strike all "SEC. 103." through line 9, page 7.

Page 7, line 11, strike "104", insert "103".

Page 7, line 20, strike "105", insert "104".

Page 8, line 2, strike "106", insert "105".

Page 8, line 2, strike "Transfers Between Appropriations".

Page 18, Beginning with line 3, strike all "SEC. 201." through line 14.

Page 18, line 16, strike "202", insert "201".

Page 19, line 1, strike "Reductions in Appropriations".

Page 19, Beginning with line 2, strike all of "SEC. 203", through line 8.

Page 19, line 10, strike "204", insert "202".

GENERAL STATEMENT

The Commission on Organization of the Executive Branch of the Government advocated a general overhaul of Federal fiscal procedures. Many of the present accounting methods which are now controlled by the Budget and Accounting Act of 1921 and a mass of earlier legislation are outmoded due to the tremendous growth of our Government in the past 30 years. They do not provide the Government or the taxpayer with accurate and complete information as to revenue received and expenditures made by the Government in connection with its operations.

H. R. 9038 and companion bill S. 3850 provide a complete framework for bringing the budgeting, accounting, and auditing procedures of the Government up to date. The bill provides for the setting up of an accounting system incorporating sound commercial and governmental practices and providing better controls over all Federal funds.

PURPOSE

Title I of the bill provides for modernized budget and accounting procedures, to supplement the Budget and Accounting Act of 1921, under a joint and continuous program designed to bring about improvement of accounting and financial reporting in the Government, by the Comptroller General of the United States, the Secretary of the Treasury, and the Director of the Bureau of the Budget.

The bill makes ample provision for a completely revised and modernized performance budgeting program, and for full disclosure of the results of Federal financial operations and for effective control over income, expenditures, funds, property, and other assets.

Part II of title I, in authorizing the establishment of a balanced and coordinated accounting program, (a) requires the Comptroller General to prescribe the principles, standards, and related requirements for accounting; to provide a basis for integrated accounting for the Government, full disclosure of the results of financial operations of each executive agency and the Government as a whole, and financial information and control necessary to enable the Congress and the President to discharge their respective responsibilities; (b) establishes responsibility for maintenance of accounting systems and the production of financial reports on the operations of the executive agencies with centralized accounting and financial reporting vested in the Secretary of the Treasury; and (c) centers in each department and agency authority and responsibility to establish and maintain its own accounts under the general principles, standards, and related requirements established by the Comptroller General of the United States.

The auditing of the Federal Government's financial transactions will continue to be conducted by the Comptroller General of the United States, as an agent of the Congress, under provisions permitting more comprehensive and more selective audits, to be developed in line with improved agency accounting systems, internal controls, and related administrative practices.

Title II provides that no request for legislation which would authorize subsequent appropriations for a department or establishment in the executive branch shall be transmitted to the Bureau of the

Budget, to the President or to the Congress, by such department or establishment or any organizational unit thereof, without the prior approval of the head of the department or establishment. The foregoing feature is in conformance with the recommendations of the Commission on Organization of the Executive Branch of the Government, since that Commission specifically outlined as its abiding principle that clear lines of authority and responsibility should extend within each agency structure "from the top to the very bottom."

In addition, this title also provides for adjustments of appropriations made necessary by reorganizations.

Title III contains 106 provisions for repeal, in whole or in part, of existing laws which are obsolete, or would be in conflict with the provisions of the subject bill. Of this total, 89 are either inconsistent with or superseded by the Budget and Accounting Act or other existing laws; 13 have been superseded by or modified by appropriation acts, or can be more appropriately provided for on an annual basis, in the texts of the various appropriation acts rather than in permanent law; 3 call for reports having only doubtful value; and the final one (No. 85), repealing existing requirements of law relating to personnel ceilings and limitations, is considered by the committee to be unnecessary under existing budgetary controls and appropriation procedures.

This section also includes saving provisions made necessary to insure the continuation of authority granted under the provisions of the Budget and Accounting Act of 1921 which are not specifically repealed.

RECOMMENDATIONS OF THE COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT

For the last 3 years a joint accounting program under the leadership of the Comptroller General of the United States, Secretary of the Treasury, and Director of the Bureau of the Budget has been making marked advances in a constructive program for improvement and modernization of the Government's accounting and financing reporting. The Commission on Organization in their specific recommendations closely adhere to the progress and direction undertaken by the Joint Accounting Program.

In the Report on Budgeting and Accounting by the Commission on Organization were the following recommendations which have been incorporated fully into this legislation. These recommendations may be cited as follows:

Recommendation No. 1.—"We recommend that the whole budgetary concept of the Federal Government should be refashioned by the adoption of a budget based upon functions, activities, and projects: this we designate as a 'performance budget'."

Recommendation No. 3.—"We recommend that the budget estimates of all operating departments and agencies of the Government should be divided into two primary categories—current operating expenditures and capital outlays." Budget estimates of all operating departments and agencies of the Government should be divided into two primary categories—current operating expenditures and capital outlays.

Recommendation No. 5.—"Therefore, the Commission recommends that the review and revision by the Estimates Division of the Office of the Budget be done from the first to the final stages in conjunction

with representatives of the Administrative Management and Fiscal Divisions.

“(a) The development of a consistent policy and program for the executive branch as a whole;

“(b) The improvement of its organization and management;

“(c) The coordination of certain administrative activities which are common to various departments (such as statistics and reports).”

Recommendation No. 6.—“The Commission recommends the development of much closer relations between the constituent divisions of the Office of the Budget and with such agencies as the President’s personal staff, the Treasury Department. * * *”

Recommendation No. 7.—“In dealing with the budgets of the executive departments and agencies, the Office of the Budget should place much greater emphasis on the developing of policies and standards to govern the preparation of estimates, and on the development of adequate budget work in the departments themselves, and comparatively less on the review by its own staff of the details of departmental estimates. A program or performance budget should be the goal. * * *”

Recommendation No. 9.—“The Commission therefore recommends that authority be given to the President to effect improvements in statistical activities and that such authority be delegated to the Director of the Division of Statistical Services in the Office of the Budget. Thus responsibility for reforms would be definitely located.”

Recommendation No. 11.—“Therefore the Commission recommends:

“(a) That the practice of sending millions of expenditure vouchers and supporting papers to Washington be stopped as far as possible.

“(b) But this Commission recommends, in view of the fantastic growth of detail, that a spot sampling process at various places where the expenditure vouchers and papers are administratively checked might be substituted for much of the present procedure of bringing all these documents to Washington.”

Recommendation No. 12.—“Our task force on accounting recommends that the accrual basis of accounting should be applied to both revenues and expenditures. It recommends simplification or elimination of the present warrant system. It proposes uniform departmental practices, procedures, nomenclature, better inventory and public debt accounting, which would greatly reduce staff and red tape.”

The bill also contains authority to the Comptroller General to discontinue the maintenance in the General Accounting Office of appropriation, expenditure, limitation, receipt, and personal ledger accounts when in his opinion the agency accounting systems and internal controls are sufficient to enable him to perform properly the functions to which such accounts relate.

The Commission also recommended, in its Report on Federal Business Enterprises, that the Congress should amend the Government Corporation Control Act of 1945 to promote business-type budgets. Section 105 provides that wholly owned Government corporations shall prepare annually business-type budgets which shall be submitted to the Bureau of the Budget under such rules and regulations as the

President may establish as to the date of submission, the form and content, the classifications of data, and the manner in which such budget program shall be prepared and presented.

The report on the Post Office includes a recommendation (No. 6) to the effect that a business-type form of budget, accounting, and audit under the Government Corporation Control Act of 1945 be applied to the Post Office.

The Post Office Department is exempted generally from the accounting provisions of this bill. This is necessary in view of the fact that the House has recently passed a separate bill (H. R. 8923) which would put into effect the same general provisions applying to all other agencies of the Government under the subject bill with certain other authorizations and controls applying specifically to that Department.

This bill does not create an Accountant General under the Secretary of the Treasury with authority to prescribe general accounting methods and enforce accounting procedures as set out in Report on Budgeting and Accounting, Recommendation No. 10 (p. 39).

Under a policy established and steadfastly adhered to by the Congress, the Comptroller General of the United States, as an agent of the Congress, has been vested with authority to prescribe accounting requirements for each of the executive agencies in order that appropriate audits might be made thereof and that the Congress might exercise control of appropriations and expenditures in the executive branch. The committee feels that this long-established policy of Congress is an essential legislative control over public financial transactions, and must be held inviolate. It has, therefore, rejected this recommendation of the Hoover Commission. The bill does fill in certain gaps in the Comptroller General's authority, however, and he will be enabled to exercise all his authority on the same high level of principles, standards, and related requirements, consistent with the assumption by the agencies of their responsibility to develop their own detailed systems and procedures so that accounting may be made fully effective for management purposes.

The bill also vests, through appropriate provisions, in the Secretary of the Treasury authority for central accounting and financial reporting, and in the heads of all departments and agencies authority to establish accounting systems best suited to their own needs within the framework of the principles and standards prescribed by GAO.

The Commission on Organization of the Executive Branch, in its concluding report, stated that—as a matter of principle, the Commission has not been concerned with matters of substantive policy. In practice, however, it has often been extremely difficult to separate policy from administration, although a conscientious effort has been made to do so.

In the opinion of this committee, not only is the question of appointing an Accountant General to supersede the representative of Congress—the Comptroller General—a substantive policy matter, but the committee further believes that this proposal also concerns primarily the legislative branch of the Government rather than the executive branch, over which the Hoover Commission had no jurisdiction in conducting its survey for reorganizations in the Federal Government.

TITLE I—BUDGETING AND ACCOUNTING

Title I on budgeting and accounting contains two parts. The first, on budgeting, clarifies the Budget and Accounting Act of 1921 to emphasize authority for the preparation of a performance budget with financial information in terms of functions and activities of the Government, and a segregation of operating and of capital and investment programs. Technical amendments to the provisions of the Budget and Accounting Act are made in aid of the objective to develop budgetary information in the manner best suited to present the financial program of the Government. Increased emphasis is placed on the development by the President through the Bureau of the Budget of plans for the organization, coordination, and management of the executive branch with a view to efficient and economical service, and improvements in the gathering, compiling, analysis, and publication of statistical information by the executive branch. The authority thus granted would supplement existing authority relating to these matters.

ANALYSIS—TITLE I

PART I—BUDGETING

DEFINITION

Section 101

This section adds a definition of the term "appropriations" to section 2 of the Budget and Accounting Act of 1921 to make it clear that the use of this term is intended to include nonappropriated funds and contract authorizations wherever appropriate.

PERFORMANCE BUDGET AND REGULATIONS

Section 102

Subsection (a).—This subsection requires that the budget be transmitted to Congress during the first 15 days of each regular session, instead of on the first day as presently required. This will permit some flexibility in the timing of the submission of the State of the Union message, the Economic Report, and the budget. Items (a), (b), and (c) provide for the inclusion in the budget, in such form and detail as the President may determine, of certain specified items, which are intended to make the budget more informative and understandable and which follow the recommendations of the Commission on the Organization of the Executive Branch of the Government. Item (a) provides specifically that the budget be presented on a performance basis, under which emphasis will be placed on functions and activities and justifications will be based to the maximum extent possible on workloads and unit-cost data. This process will permit the budget to be tailor-made for each item in order to present each budget request in the most practicable and understandable manner. Item (b) specifically requires a separation of (1) operating programs from (2) capital and investment programs. In addition to these two classifications, item (c) permits the use of any other desirable classifications, such as grants, etc.

Item (d) requires a summary reconciliation of expenditures with appropriations, to provide the Congress with information on the effect on expenditures of its action on appropriations.

Items (e) and (f) clarify present wording of the Budget and Accounting Act with respect to estimated expenditures, estimated receipts and proposed appropriations.

Items (g) and (h) require that the budget give information on appropriations for the past year as well as for the current year and the budget year. This provides for showing full information on a 3-year basis, not only with respect to receipts and expenditures, but also with respect to appropriations. The present requirement for the showing of unobligated balances of appropriations as of November 1, is eliminated.

Items (i), (j), and (k), requiring balanced statements of the condition of the Treasury, facts regarding the bonded and other indebtedness of the Government, and other financial statements, are identical with present provisions.

Subsection (b).—This subsection, relating to the submission of proposed supplemental and deficiency appropriations, is the same as present law except for clarification in terminology.

Subsection (c).—This subsection provides that, except as otherwise provided in the Budget and Accounting Act, the content, order and arrangement of the proposed appropriations and statements of expenditures contained in the budget shall conform to requirements prescribed by the President. Subsection 204 (b) of the Budget and Accounting Act, relating to proposed lump-sum appropriations is eliminated, as the provisions thereof are now obsolete.

Subsection (d).—This subsection requires the submission, whenever a basic change is made in the form of the budget, of supplementary notes and tables to relate the various items in the budget in which such change is made to the corresponding items in the budget of the prior year. The obsolete language pertaining to the alternative budget for the fiscal year 1923 is eliminated.

Subsection (e).—This subsection clarifies present terminology. The phrase relating to the preparation of the "alternative budget" is deleted, in accordance with the change made by subsection (d).

Subsection (f).—This subsection places responsibility for the preparation of the departmental estimates on the head of the agency. This will serve to bring provisions of the Budget and Accounting Act in line with recommendations of the Commission on Organization of the Executive Branch to strengthen the authority of the Department head for budget formulation.

Subsection (g).—This subsection provides that the President shall determine the date for submission of the departmental requests for appropriations to the Bureau, as a substitute for the present requirement that such requests be submitted on or before September 15. The purpose of this subsection is to provide flexibility in the timing of the submission of departmental requests for appropriations. The wording of this subsection has also been revised to be consistent with the changes made in other sections of the bill.

Subsection (h).—This subsection makes no substantive change; it merely provides clarifying language.

GOVERNMENT STATISTICAL ACTIVITIES

Section 103

This section clarifies the present law in accordance with the recommendations of the Commission on Organization of the Executive

Branch with respect to the supervision and coordination of the Government's statistical activities, and is intended to be in addition to, and not in substitution for, the existing authority of the Bureau of the Budget with respect to Government statistical and reporting activities.

IMPROVED ADMINISTRATION OF EXECUTIVE AGENCIES

Section 104

This section emphasizes the responsibility of the Bureau of the Budget for improving the organization and management of the executive branch in accordance with the recommendations of the Commission on Organization of the Executive Branch. It is not intended to be in substitution for the existing authority of the Bureau of the Budget with respect to Government organization and management.

BUSINESS-TYPE BUDGETS

Section 105

This section amends the Government Corporation Control Act of 1945 to make it consistent with the Budget and Accounting Act as amended by section 102 of this bill as to date of submission of budgets of agencies subject to the 1945 act.

ACCOUNTING AND AUDITING

Part II of title I comprises a complete Accounting and Auditing Act of 1950. H. R. 9038 embodies the principles and objectives of the cooperative program which is being conducted under the leadership of the Comptroller General of the United States, the Secretary of the Treasury, and the Director of the Bureau of the Budget to improve the Government's accounting, financial reporting, and auditing. The provisions of this part will also facilitate the attainment of the budgetary improvements provided for elsewhere in the bill. This part spells out clear-cut responsibilities and duties while at the same time providing for their exercise in proper relationship and cooperation toward the common goal of making accounting, financial reporting, budgeting, and auditing of the greatest value.

The careful allocation of responsibilities is designed to produce an integrated accounting system for the Government as a whole. Emphasis is placed on the development and use of agency accounting systems as the foundation for financial control and the production of necessary financial information. Provision is made for progressive improvement and simplification of the present accounting of the Government and a specific basis is laid for more comprehensive and selective performance of the independent audit by the General Accounting Office to the fullest extent practicable at the site of operations. This legislation will provide flexibility that is urgently needed for putting into effect more economical and efficient accounting and auditing procedures in order to obtain maximum benefits from work now going forward under the joint accounting program and lays a solid foundation for carrying out the policies and objectives of the program.

ANALYSIS—PART II, TITLE I

SHORT TITLE

Section 110

This section provides a short title, "Accounting and Auditing Act of 1950."

DECLARATION OF POLICY

Section 111

This section declares the congressional policy that:

(a) The accounting of the Government provide full disclosure of the results of financial operations, adequate financial information needed in the management of operations and the formulation and execution of the budget, and effective control over income, expenditures, funds, property, and other assets.

(b) Full consideration be given to the needs and responsibilities of both the legislative and executive branches in the establishment of accounting and reporting systems and requirements.

(c) The maintenance of accounting systems and the producing of financial reports with respect to the operations of executive agencies, including central facilities for bringing together and disclosing information on the results of the financial operations of the Government as a whole, be the responsibility of the executive branch.

(d) The auditing for the Government, conducted by the Comptroller General of the United States as an agent of the Congress be directed at determining the extent to which accounting and related financial reporting fulfill the purposes specified, financial transactions have been consummated in accordance with laws, regulations, or other requirements, and adequate internal financial control over operations is exercised, and afford an effective basis for the settlement of accounts of accountable officers.

(e) Emphasis be placed on effecting orderly improvements resulting in simplified and more effective accounting, financial reporting, budgeting, and auditing requirements and procedures and on the elimination of those which involve duplication or which do not serve a purpose commensurate with the costs involved.

(f) The Comptroller General of the United States, the Secretary of the Treasury, and the Director of the Bureau of the Budget conduct a continuous program for the improvement of accounting and financial reporting in the Government.

RESPONSIBILITIES OF THE COMPTROLLER GENERAL

Section 112

Subsection (a) provides that the Comptroller General, after consulting with the Secretary of the Treasury and the Director of the Bureau of the Budget, and after considering the needs of other executive agencies, shall prescribe the principles, standards, and related requirements for accounting to be observed by each agency, including requirements for suitable integration between the accounting processes of the executive agencies and the accounting of the Treasury Department.

Subsection (a) also specifies that requirements prescribed by the Comptroller General shall be so designed as to permit the executive

agencies to carry out their individual responsibilities for accounting under section 113. At the same time, the requirements must provide a basis for integrated accounting for the Government, full disclosure of the results of financial operations of individual executive agencies and for the Government as a whole, and for financial information and control necessary to enable the Congress and the President to discharge their respective responsibilities.

The subsection directs the Comptroller General to continue to exercise the authority vested in him by section 205 (b) of the Federal Property and Administrative Services Act of 1949 (63 Stat. 389; 41 U. S. C. 235 (b)), thereby assuring proper coordination with the property management responsibilities of the Administrator of General Services under that act. The Comptroller General is also to continue to exercise, to the extent he deems necessary, the authority vested in him by section 309 of the Budget and Accounting Act, 1921 (42 Stat. 25; 31 U. S. C. 49). This latter provision of the subsection will permit the Comptroller General to exercise his prescribing authority over appropriation and fund accounting systems in terms of principles, standards and related requirements rather than in terms of detailed forms and procedures coordinate with the proper assumption by agencies of their responsibilities under section 113. Any exercise of authority under the two cited sections of existing law is to be consistent with the provisions of this section, thereby enabling the prescribing authority to be exercised in the light of an understanding of all the needs which accounting must serve and in a manner which will bring about appropriate coordination of all phases of accounting systems.

Subsection (b) provides that the General Accounting Office shall cooperate with the executive agencies in the development of their accounting systems, and with the Treasury Department in the development and establishment of the system of central accounting and reporting required by section 114 of the bill. Provision is made in subsection (b) for accounting systems to be approved by the Comptroller General when deemed by him to be adequate and in conformity with the principles, standards, and related requirements prescribed by him.

Subsection (c) directs the General Accounting Office to review accounting systems of the executive agencies from time to time and to make the results of such reviews available to the heads of the executive agencies concerned, the Secretary of the Treasury and the Director of the Bureau of the Budget. It is also provided that the Comptroller General shall make such reports on the review of accounting systems to the Congress as he deems proper. It is contemplated that there will be proper coordination between the performance of such reviews and the audits by the General Accounting Office.

Taken as a whole, this section furnishes the Comptroller General as the agent of the Congress with authority and responsibility for providing for a sound accounting structure for the Government from the standpoint of effective financial control and independent audit on a basis consistent with the proper development of accounting and financial reporting in the executive branch as an essential arm of management.

RESPONSIBILITIES OF THE EXECUTIVE AGENCIES

Section 113

This section sets out the duties and responsibilities of the head of each executive agency for the establishment and maintenance of the systems of accounting and internal control in his agency. It is provided in subsection (a) that the systems of accounting and internal control shall provide (1) full disclosure of the financial results of the agency's activities; (2) adequate financial information needed for management purposes; (3) effective control over and accountability for all funds, property, and other assets for which the agency is responsible, including internal audit; (4) reliable accounting results to serve as the basis for the preparation and support of the agency's budget requests, for controlling the execution of the agency's budget, and for providing financial information required by the Bureau of the Budget under section 213 of the Budget and Accounting Act, 1921 (42 Stat. 23); and (5) suitable integration of the accounting of the agency with the accounting of the Treasury Department in connection with central accounting and reporting responsibilities imposed on the Secretary of the Treasury by section 114 of the bill.

Subsection (b) provides that the accounting systems of executive agencies shall conform to the principles, standards, and related requirements prescribed by the Comptroller General.

The intent and purpose of section 113 is to place upon the head of each executive agency for the first time the clear responsibility for the establishment and maintenance of an adequate and complete accounting system. It is not intended that the Comptroller General normally shall be compelled to prescribe the details of each system but the system developed by the agencies must conform to the principles, standards, and related requirements prescribed by him.

RESPONSIBILITIES OF THE SECRETARY OF THE TREASURY

Section 114

This section recognizes the necessity of providing means for systematically bringing together and producing information needed regarding the results of the financial operations of the Government as a whole. It recognizes further that central facilities for that purpose should be in the Treasury Department because of the nature of the fiscal operations, accounting, and reporting it performs.

Subsection (a) imposes on the Secretary of the Treasury the responsibility for producing financial reports which will make adequate disclosure of the results of the financial operations of the Government. Such reports obviously cannot serve all the many purposes of financial reporting in the Government, but, they should supply a long-standing need on the part of the legislative and executive branches and the public for more useful and understandable presentations of financial information from the standpoint of the Government as a whole. Provision is made for including in these over-all reports such data as the Director of the Bureau of the Budget may require in connection with preparation of the Budget and other purposes of the Bureau. This will not interfere with the authority of the Director to obtain

directly from the executive agencies such other financial information as he may need from them. To enable the Secretary to carry out this responsibility for central reporting, authority is given him to issue rules and regulations requiring from each executive agency, including each corporation and agency subject to the Government Corporation Control Act, such financial reports and related information as may be necessary.

In order that an appropriate operating center will be provided to produce the required reports, the Secretary is given broad authority under subsection (b) to reorganize accounting functions and change accounting procedures and financial reports within the Treasury Department and to establish organizational and other facilities necessary for that purpose. The flexibility thus provided should enable the Secretary to establish the internal accounting and reporting of the Treasury Department on the most integrated and efficient basis and to concentrate functions and responsibility in such a manner as will facilitate consolidating the accounting results of other agencies with those of the Department on a consistent and reliable basis.

Under subsection (c) the system of central accounting and reporting established by the Secretary pursuant to this section must be consistent with the principles, standards, and related requirements prescribed by the Comptroller General of the United States under section 112 of the bill.

Important related features of the bill are the specific provisions in sections 112 and 113 for suitable integration between the accounting processes of each executive agency and those of the Treasury Department where they coincide. This is essential to the preparation of financial reports of the Government on a reliable and consistent basis and without repetitive recording of financial transactions.

REGULATIONS FOR RECEIPT, RETENTION, AND DISBURSEMENT OF PUBLIC FUNDS

Section 115

Under procedural requirements of existing law to which this section relates, particularly those codified in sections 76, 147, and 529 of title 31, United States Code, the moneys of the United States are received, kept, and disbursed upon warrants drawn by the Secretary of the Treasury and countersigned in the General Accounting Office. Advances are required to be made to disbursing officers of the Government for disbursing purposes, for the most part under separate appropriation headings. Requisitions for such advances before being acted on by the Secretary of the Treasury are required to be sent to the General Accounting Office for approval as provided by those provisions of law codified in section 78 of title 31. These requirements were intended to provide safeguards and controls over the receipt and disbursement of the public funds, and in harmony therewith warrants are issued by the Treasury Department and countersigned in the General Accounting Office in connection with such matters as the setting up of appropriations on the books of the Government, transfers and adjustments between appropriations, writing off of expired appropriation balances, and advancing of funds to disbursing officers.

In order to provide a means for eliminating in an orderly manner the duplicating and overlapping of controls and accounting involving

the control of disbursements in relation to appropriations, this section provides authority for modification or elimination of the present procedures involving the issuance and countersignature of warrants. The Secretary of the Treasury and the Comptroller General, who now issue and countersign warrants as a means of control over receipts and disbursements, are authorized by this section to waive the present requirements for the use of warrants by joint regulations which would prescribe simpler and more efficient procedures. This authority will be exercised when the Secretary of the Treasury and the Comptroller General determine that sufficient safeguards over the control and accounting for public funds are otherwise provided. Such regulations issued by the Secretary of the Treasury and the Comptroller General may provide further for the payment of vouchers by means of checks issued against the general account of the Treasurer of the United States rather than against advances to disbursing officers by individual appropriations.

It is contemplated that the process of substituting simpler procedures for those presently required in connection with the issuance and countersignature of warrants will be based essentially on full utilization of effective accounting and internal controls established in the operating agencies supplemented by appropriate independent audits and the coordinate modification or elimination of central control processes and accounting operations.

DISCONTINUANCE OF ACCOUNTS IN THE GENERAL ACCOUNTING OFFICE

Section 116

This section authorizes the Comptroller General to discontinue the maintenance of certain accounts in the General Accounting Office when, in his opinion, the accounting systems and internal control of the responsible agencies are sufficient to enable him to perform the functions to which such accounts relate. This is consistent with the objective to utilize accounting systems established in the operating agencies to the fullest extent possible for control and audit purposes.

AUDITING PROVISIONS

Section 117

This section provides certain clarification of authority as the basis for improvement and simplification of the audit function of the General Accounting Office on a coordinated basis with the improvement of accounting and internal control procedures in the agencies.

Subsection (a) provides that, except as otherwise specifically provided by law, financial transactions of each executive, legislative, and judicial agency, including but not limited to the accounts of accountable officers, shall be audited by the General Accounting Office in accordance with such principles and procedures and under such rules and regulations as may be prescribed by the Comptroller General of the United States. It further provides that in the determination of the auditing procedures to be followed and the extent of the examination to be made of vouchers and other documents, the Comptroller General will give due regard to generally accepted principles of auditing. This provides specific authorization to regulate the amount of detailed audit work to be done in the light of the effectiveness of the agency's accounting system, related internal control and other proce-

dures, and of administrative application of statutes and other legal requirements governing financial transactions. This opens the way to greater use of selective examination of transactions and provides specific statutory recognition and foundation for the comprehensive on-the-site audit program which has been instituted by the General Accounting Office as the basis for more effective and efficient discharge of its responsibilities to the Congress in the audit of the financial transactions of the Government and the settlement of accounts of accountable officers. The provisions of this subsection are based upon the principle that external audit and control methods should be developed by the General Accounting Office in balanced relationship with features of agency accounting, internal control and interrelated procedures, and the more effective the internal controls, the more efficient and economical will be the independent audit.

Subsection (b) implements the foregoing provisions by authorizing the Comptroller General to require any executive agency to retain in whole or in part accounts of accountable officers, contracts, vouchers, and other documents, which are required under existing law, codified in 31 U. S. C. 496 and related provisions, to be submitted to the General Accounting Office. This will provide for orderly expansion of the program for auditing financial transactions at the site of operations in the agencies and avoid the necessity under appropriate circumstances for submission of documents to the General Accounting Office in Washington. It will enable present temporary arrangements between the Office and executive agencies under which site and comprehensive audits are being performed to be placed on a firm and permanent basis.

GENERAL PROVISIONS

Section 118

Definition of executive agency.—This section defines the term “executive agency” as used in this part to mean any executive department or independent establishment in the executive branch of the Government but excludes from such definition, except for the purposes of sections 114, 116, and 119, any Government corporation or agency subject to the Government Corporation Control Act (59 Stat. 597; 31 U. S. C. 841). It is not intended to supersede the existing authority of the corporations to maintain their accounting systems under determinations made by them. With respect to the audit of such corporations, the Government Corporation Control Act already provides for a comprehensive commercial-type audit of their transactions by the General Accounting Office and for report thereof to the Congress by the Comptroller General. However, in the case of section 114, it is necessary to the preparation by the Secretary of the Treasury of reports presenting the results of the financial operations of the Government that the Government corporations, along with the other executive agencies, furnish the Secretary the financial reports and information referred to in subsection (a) of that section. In the case of a few corporations accounts for certain funds are maintained in the General Accounting Office under present law. The provisions of this section 118 will enable the Comptroller General to discontinue such accounts on the same basis with respect to corporations as with respect to other executive agencies. Similarly, in the case of section 119, it is intended to confer on the corporations the authority with respect to the adminis-

trative examination of fiscal officers' accounts when required under present law.

This section further provides that the term "executive agency" as used in this part shall not include the Post Office Department except for the purposes of sections 111 (declaration of policy), 114 (central accounting and reporting), and 116 (discontinuance of accounts in General Accounting Office). The reasons for inclusion of the Post Office Department in the last two sections are similar to those in the case of the Government corporations. The substance of those provisions in this part affected by exclusion of the Post Office Department from the definition is dealt with in H. R. 8923, the Post Office Department Financial Control Act of 1950, passed by the House of Representatives, and S. 3829, an identical bill pending in the Senate. Enactment of that measure, while consistent with these provisions, will render their application to the Department unnecessary.

Section 119

Administrative examination of accounts.—This section will substantially modify the present legal requirements that the head of each executive agency perform an administrative examination of fiscal officers' accounts at the seat of government in Washington. This is an antiquated requirement inconsistent with the great amount of decentralization of operations to the field and the development of more effective means of controlling field operations than through the administrative examination of vouchers after they have been paid by disbursing officers or collection documents after the receipt and deposit of funds. It is also completely inconsistent with the post-audit of transactions by the General Accounting Office where the accounts and records of agencies are normally kept. In those agencies where strictly observed, it results in much unnecessary paper work and handling and shipping of documents, which in many cases is a mere formality. While these conditions have in part been alleviated by revised procedures under present law, the authority provided by this section is necessary to attainment of maximum simplification. The provisions of this section are in accordance with recommendations growing out of an extensive joint study made by the General Accounting Office, Treasury Department, and Bureau of the Budget.

The section authorizes the head of each executive agency to designate the place where the agency will conduct the administrative examination of its accounts after payment. It further provides that with the concurrence of the Comptroller General the administrative examination may be waived, either in whole or in part. Similar authority is conferred upon the officers responsible for the administrative examination of accounts for legislative and judicial agencies.

TITLE II—APPROPRIATIONS

AUTHORIZATIONS FOR APPROPRIATIONS

Section 201

This section requires approval by the head of an agency of requests by any unit of the agency for proposed legislation which, if enacted, would authorize appropriations. This provides a statutory basis for present practice and is consistent with the recommendations of the Commission on Organization of the Executive Branch with respect to the authority of department heads.

ADJUSTMENT OF APPROPRIATIONS FOR REORGANIZATIONS

Section 202

This section provides for the adjustment of appropriation accounts and the transfer of balances in connection with reorganizations. Provisions similar to subsection (b) are ordinarily included in reorganization plans. This is intended to simplify the administration and accounting pertaining to reorganizations.

REPEALS AND SAVING PROVISIONS

Title III repeals over a hundred acts or parts of acts relating mainly to the compilation of the estimates and the furnishing of certain financial data, most of which have been superseded or rendered outmoded by other existing provisions of law, particularly the Budget and Accounting Act of 1921. Repeal of these provisions will clear the statutes of many requirements which, though they had a good purpose when enacted, do not meet present conditions. Also included in title III are certain saving provisions which are considered to be necessary in order that no misunderstanding will develop in implementing the provisions of the proposed legislation.

CONCLUSIONS

It is the firm conviction of your committee that H. R. 9038 will accomplish a major advancement in the field of budgeting and accounting in the Federal Government, and that it conforms materially to the objectives and conclusions of the Hoover Commission in its Report on Budgeting and Accounting.

The long-range objectives of the Commission on Organization of the Executive Branch of the Government are no different, as far as results are concerned, from the objectives of the present joint program to improve accounting in the Federal Government. It is the opinion of your committee that the objectives can be accomplished in the most realistic way practicable under the provisions of this proposed legislation.

The continuation of the functions of the General Accounting Office, as an agency of the Congress, is essential to the maintenance of adequate appropriation and expenditure control by the Congress over the Federal Government, and the committee is convinced the omission of the recommendation for the creation of an Accountant General will in no way interfere with the accomplishment of any other recommendation of the Commission on Organization of the Executive Branch of the Government.

It is also the opinion of your committee that there is an urgent need for the improvement of budgeting, accounting, and financial reporting of the Government. These fields should be simplified, modernized, and made effective to the maximum extent possible. H. R. 9038 will provide the means for accomplishing these objectives with the result that the Congress and the President and responsible officials in each agency will be provided with the information and the means of control needed for the management of our Federal fiscal structure. In addition, the taxpayer will be afforded full disclosure of the financial operations of the Government. While H. R. 9038

provides the means for accomplishing these objectives it does not in any way lessen the control over public expenditures which is exercised by the Congress itself and by its agent, the General Accounting Office.

The Comptroller General, the Secretary of the Treasury, and the Director of the Bureau of the Budget, it is contemplated, will continue their close collaboration for the effectuation of the meritorious objectives of this legislation. Legislation of this keystone importance will provide the means to carry out the desire on the part of the Congress and the public for improvement of efficiency in service and reduction in the costs of Government.

For the foregoing reasons, your committee urges the passage of H. R. 9038, as amended.

Attached hereto and made a part of this report are the reports from the Bureau of the Budget, Treasury Department, and the General Accounting Office, recommending passage of this bill.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., July 10, 1950.

Hon. WILLIAM L. DAWSON,
*Chairman, Committee on Expenditures in the Executive Departments,
House of Representatives, Washington, D. C.*

MY DEAR MR. CHAIRMAN: Your letter of July 6, 1950, requested my views on H. R. 9038, a bill to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes.

I am in general accord with the provisions of this bill and feel that it represents a real advance in budget and accounting legislation.

The budgeting provisions of H. R. 9038 are designed, for the most part, to clarify existing provisions of the Budget and Accounting Act of 1921 and to give evidence of congressional support to certain recommendations on budgeting of the Commission on Organization of the Executive Branch of the Government. An analysis of these portions of the bill, as embodied in part I of title I and in title II of the bill, will be provided in a statement to your committee by Mr. William F. Finan, Assistant Director for Administrative Management.

The second part of title I, cited as the Accounting and Auditing Act of 1950, is in keeping with the objectives and goals of the joint accounting program sponsored by the Comptroller General, the Secretary of the Treasury, and the Director of the Bureau of the Budget. The Bureau of the Budget endorses this part of the bill and feels that it provides a practical basis for continued progress under the joint accounting program.

The Bureau also concurs in title III of H. R. 9038, which would repeal many statutory provisions that are no longer needed.

Sincerely yours,

F. J. LAWTON, *Director.*

GENERAL ACCOUNTING OFFICE,
Washington, July 7, 1950.

Hon. WILLIAM L. DAWSON,
*Chairman, Committee on Expenditures in the Executive Departments,
House of Representatives.*

MY DEAR MR. CHAIRMAN: Reference is made to your letter of July 6, 1950, requesting an expression of my views on H. R. 9038 entitled "A bill to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes."

The provisions of H. R. 9038 are identical to the provisions of S. 3850 which was introduced in the Senate on June 29, 1950, and is now pending before the Senate Committee on Expenditures in the Executive Departments. H. R. 9038 is the result of extended study and discussion between the staffs of both the Senate and

the House committees and representatives of the Bureau of the Budget, the Treasury Department, and the General Accounting Office. It grows out of recommendations made from many viewpoints for the improvement of budgeting, accounting, financial reporting, and auditing for the Government. It lays a solid foundation for modernization and improvement in each of these fields without doing away with any of the essential controls which must be maintained by the Congress. I feel strongly that the bill will provide a complete framework for bringing and keeping the budgeting, accounting, financial reporting, and auditing procedures of the Government up to date. It is the most progressive and important piece of legislation in this field since the enactment of the Budget and Accounting Act in 1921.

Title I on budgeting and accounting contains two parts. The first, on budgeting, clarifies the Budget and Accounting Act to emphasize authority for the preparation of a performance budget with financial information in terms of functions and activities of the Government, and a segregation of operating and of capital and investment programs. Technical amendments to the provisions of the Budget and Accounting Act are made in aid of the objective to develop budgetary information in the manner best suited to present the financial program of the Government. Increased emphasis is placed by the bill on the development by the President, through the Bureau of the Budget, of plans for the organization, coordination, and management of the executive branch with a view to efficient and economical service, and improvements in the gathering, compiling, analysis, and publication of statistical information by the executive branch. The authority granted in these fields would supplement existing authority of the Bureau of the Budget.

Part II of title I comprises a complete Accounting and Auditing Act of 1950. This legislation embodies the principles and objectives of the joint accounting program which is being conducted under the leadership of the Comptroller General of the United States, the Secretary of the Treasury, and the Director of the Bureau of the Budget to improve the Government's accounting, financial reporting, and auditing. The provisions of this part will also facilitate the attainment of the budgetary improvements provided for elsewhere in the bill. Part II spells out clear-cut responsibilities and duties of the Comptroller General, the Secretary of the Treasury, and the head of each executive agency, while at the same time providing for the exercise of these duties and responsibilities in proper relationship and cooperation toward the common goal of making accounting, financial reporting, budgeting, and auditing of the greatest value.

The careful allocation of responsibilities is designed to produce proper accounting in the executive agencies and an integrated accounting system for the Government as a whole. Emphasis is placed on the development and use of agency accounting systems as the foundation for financial control and the production of necessary financial information. Provision is made for progressive improvement and simplification of the present accounting of the Government and a specific basis is laid for more comprehensive and selective performance of the independent audit by the General Accounting Office to the fullest extent practicable at the site of operations. This legislation will lay a solid foundation for carrying out the policies and objectives of the joint accounting program and will provide the flexibility that is urgently needed for putting into effect more economical and efficient accounting and auditing procedures in order to obtain maximum benefits from work now going forward under the program.

Title II provides for certain transfers between appropriations within a 5-percent limit in departments in order to promote economy and efficiency, and requires prior approval of department heads before the submission to the Bureau of the Budget, the President, or the Congress by departments of requests for legislation authorizing subsequent appropriations. It also includes provisions authorizing the President to set up reserves from appropriations for the executive branch when he determines the purposes intended by the Congress will be accomplished by lesser expenditures. Further authority is provided for transfer of balances of appropriations incident to reorganizations in the executive branch.

Title III repeals 106 acts or parts of acts relating mainly to the compilation of the estimates and the furnishing of certain financial data, most of which have been superseded or rendered outmoded by other existing provisions of law, particularly the Budget and Accounting Act of 1921. Repeal of these provisions will clear the statutes of many requirements which, though they had a good purpose when enacted, are out of harmony with present conditions. Also included in title III are certain saving provisions which are considered to be neces-

sary in order that no misunderstandings will develop in implementing the provisions of the bill.

To achieve full effectiveness and results from H. R. 9038 will take considerable time and a great deal of effort on the part of all parties concerned. Nevertheless, it embodies what I believe to be the factors needed for carrying out budget and accounting reforms.

H. R. 9038 in its present form has my unqualified and enthusiastic support and I urge that early action be taken by your committee and by the Congress in order that the budgeting, accounting, reporting, and auditing of the Government can be simplified, modernized and made effective to the maximum extent possible. The bill before your committee will make this possible with the result that the Congress and the President will be provided with the information and the means of control needed for the management of our Federal fiscal structure and the public will be afforded full disclosure of the financial operations of the Government. At the same time the bill in no way lessens the control over public expenditures which is exercised by the Congress itself and by its agent, the General Accounting Office.

There is enclosed for your information a section-by-section analysis of part II of title I of the bill.

In closing I wish to express my appreciation to both yourself and Representative Karsten for the interest you have shown in this legislation. I shall look forward to appearing before your committee on Tuesday, July 11, at 10 a. m.

Sincerely yours,

LINDSAY C. WARREN,
Comptroller General of the United States.

TREASURY DEPARTMENT,
Washington, July 10, 1950.

Hon. WILLIAM L. DAWSON,
*Chairman, Committee on Expenditures in the Executive Departments,
House of Representatives, Washington, D. C.*

MY DEAR MR. CHAIRMAN: This is in response to your letter of July 6, 1950, requesting my views concerning H. R. 9038, a bill to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes.

The Treasury Department, by virtue of the extensive fiscal services and operations it performs, is vitally interested in seeing that the budgeting, accounting, and auditing system of the Government is maintained on the soundest basis. In my opinion H. R. 9038, if enacted, would provide a solid legislative foundation in law for perfecting such a system.

The bill embodies, in all essential respects, the policies and objectives of the present cooperative program to make the Government's accounting of the greatest value and also it provides certain needed flexibility for putting into effect more economical and efficient procedures to obtain maximum benefits from work that is going forward under that program. An important factor is that the bill establishes a clear division of responsibilities and duties while at the same time providing for the exercise of such duties and responsibilities in proper relationship and in harmony with the common objective of achieving an integrated accounting system.

As I have indicated, the entire bill is favored as a well-balanced piece of legislation to provide an effective budgeting, accounting, reporting, and auditing structure for the Government. Since sections 114 and 115, however, deal with certain special responsibilities and duties of the Secretary of the Treasury, I shall comment more specifically on the provisions of those particular sections.

Section 114 of the bill recognizes the necessity of providing means for systematically bringing together and producing information needed concerning the results of the financial operations of the Government as a whole. It recognizes further that central facilities for that purpose belong in the Treasury Department because of the nature of the fiscal operations, accounting, and reporting it must perform as the center of the Government's finances. With all of this I agree.

Subsection (a) of section 114 places on the Secretary the responsibility for producing financial reports which will make adequate disclosure of the results of the financial operations of the Government. Such reports obviously cannot serve all the many purposes of financial reporting in the Government. They should, however, supply a long-standing need on the part of the legislative and executive

branches and the public for more complete and consistent presentations concerning the sources of the Government's revenue and other income, the purposes for which public funds are spent, and the Government's position financially. It is highly important that only reports which serve a truly useful purpose be produced, that they be made both understandable and meaningful, and that they be anchored to a firm foundation of reliable accounting results obtained from the various agencies of the Government properly tied in with those central financial accounts which the Treasury Department must maintain because of the general fiscal operations it performs. The central financial reports should meet those tests and be designed with due regard for the needs and interests of all concerned. Of necessity, these central reports must be an outgrowth of the proper development of accounting in the individual agencies of the Government, including the Treasury Department itself, on the basis of the allocation of responsibilities and duties made by the various provisions of the bill.

To enable the Secretary to carry out his responsibility for central reporting, authority is given him to issue rules and regulations requiring from each executive agency, including each corporation and agency subject to the Government Corporation Control Act, such financial reports and related information as may be necessary. This authority is, of course, essential and it must be exercised with due regard for and in proper relationship to the responsibilities and authority affixed to other agencies of the Government with respect to accounting.

In order that an appropriate operating center will be provided to produce the required central reports, the Secretary is given broad authority, under subsection (b) of section 114, to reorganize accounting functions and change accounting procedures and financial reports within the Treasury Department and to establish organizational and other facilities necessary for that purpose. Such flexibility is essential if the internal accounting and reporting of the Department is to be placed on the most efficient and integrated basis and functions and responsibilities are to be concentrated in a manner to facilitate consolidating the accounting results of other agencies with those of the Department on a reliable and consistent basis for the central reports.

The Treasury Department has a dual interest in accounting—first, with respect to the financial condition and operations of the Government; second, in the financial administration of its own bureaus and offices. Just as the Government needs an operating center for its accounting and reporting as an over-all matter, so also the Department's accounting and reporting work must be properly organized and correlated. There is a natural tendency for any organizational unit to have a self contained accounting system completely independent of accounting work performed by others, irrespective of the fact that financial transactions often mutually affect different bureaus or offices. What must be done is to determine the extent to which accounting and reporting in different places is unnecessarily duplicating or overlapping and to revise accounting at the points of operations in such a way that there will be a proper degree of reliance between accounting systems and sufficient central accounting controls established to make possible a more unified system for the Department as a whole.

Under subsection (c) of section 114, the system of central accounting and reporting established in the Treasury Department must be consistent with the principles, standards, and related requirements prescribed by the Comptroller General of the United States under section 112 of the bill. This is consistent with the declaration of congressional policy contained in the bill and the intention that various responsibilities shall be discharged in proper relationship and in harmony with the general objective for an integrated financial system. From the standpoint of all concerned, the most satisfactory results should be obtained in building an efficient accounting and reporting system in the Treasury Department by having the active assistance and participation of the Comptroller General in the undertaking.

Important related features of the bill are the specific provisions of sections 112 and 113 for suitable integration between the accounting processes of each executive agency and those of the Treasury Department where such processes coincide. This is highly important because I believe that lack of sufficient attention to this factor in the past has been one of the chief difficulties in providing adequate financial reports for the Government in a composite sense. Such integration is essential if central reports are to be prepared on a reliable and consistent basis without excessive expense caused by the repetitive recording of transactions and the confusion involved in attempting to explain discrepancies between data compiled from various sources on different bases.

Section 115 of the bill gives the Secretary of the Treasury and the Comptroller General of the United States authority to issue joint regulations modifying or eliminating procedures, under existing law, which involve the issuance and countersignature of warrants by them. The joint regulations further may provide for the payment of vouchers by means of checks issued against the general account of the Treasurer of the United States rather than against advances to disbursing officers by individual appropriations. These provisions should afford a means for eliminating in an orderly manner duplication and overlapping of controls and accounting when more simple and economical procedures can be substituted with sufficient safeguards with respect to the control and accounting for the public funds.

The authority to substitute simpler and more economical procedures for those presently required in connection with the issuance and countersignature of warrants is desirable and consistent with the general objectives of the bill in connection with accounting and auditing. The exercise of this authority should be based essentially on the full utilization of effective accounting and internal control established in the individual agencies responsible for operations supplemented by appropriate independent audit performed by the General Accounting Office.

Title III of the bill would repeal a number of existing laws relating mainly to the submission of budget estimates. The Treasury Department has no objection to the repeal of any of the laws specified in this title.

The long-range accounting objectives of the Commission on Organization of the Executive Branch of the Government are no different, as far as results are concerned, from the objectives of the present "joint program to improve accounting in the Federal Government." In my opinion, these objectives can be accomplished in the most realistic way under the provisions of this bill.

In view of the need of expediting this report for purposes of the hearings before your committee on July 11, it has not been possible to secure the customary prior clearance from the Bureau of the Budget.

Very truly yours,

JOHN W. SNYDER,
Secretary of the Treasury.

In compliance with paragraph 2a of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

That this Act may be cited as the "Budget and Accounting Procedures Act of 1950".

TITLE I—BUDGETING AND ACCOUNTING

PART I—BUDGETING

DEFINITION

SEC. 101. Section 2 of the Budget and Accounting Act, 1921 (42 Stat. 20), is amended by adding at the end thereof the following:

"The term 'appropriations' includes, in appropriate context, funds and authorizations to create obligations by contract in advance of appropriations."

PERFORMANCE BUDGET AND REGULATIONS

SEC. 102. (a) Section 201 of such Act is amended to read as follows:

"SEC. 201. The President shall transmit to Congress [on the first day] during the first fifteen days of each regular session, the Budget, which shall set forth [in summary and in detail] his Budget message, summary data and text, and supporting detail. The Budget shall set forth in such form and detail as the President may determine—

"(a) functions and activities of the Government, constituting a performance budget;

"(b) a segregation of operating, and of capital and investment programs;

"(c) any other desirable classifications of data;

"(d) a reconciliation of the summary data on expenditures with proposed appropriations;

"(e) [a. Estimates of] *estimated* expenditures and *proposed* appropriations necessary in his judgment for the support of the Government for the ensuing fiscal year, except that [estimates] *estimated expenditures and proposed appropriations* for such year for the Legislative Branch of the Government and the Supreme Court of the United States shall be transmitted to the President on or before October 15 of each year, and shall be included by him in the Budget without revision;

"(f) [b. His estimates of] *estimated* receipts of the Government during the ensuing fiscal year, under (1) laws existing at the time the Budget is transmitted and also (2) under the revenue proposals, if any, contained in the Budget;

"(g) [c. The] *actual appropriations*, expenditures, and receipts of the Government during the last completed fiscal year;

"(h) [d. Estimates of the] *estimated* expenditures and receipts, and *actual or proposed appropriations* of the Government during the fiscal year in progress;

[e. The amount of annual, permanent, or other appropriations, including balances of appropriations for prior fiscal years, available for expenditure during the fiscal year in progress, as of November 1 of such year;]

"(i) [f] balanced statements of (1) the condition of the Treasury at the end of the last completed fiscal year, (2) the estimated condition of the Treasury at the end of the fiscal year in progress, and (3) the estimated condition of the Treasury at the end of the ensuing fiscal year if the financial proposals contained in the Budget are adopted;

"(j) [g] all essential facts regarding the bonded and other indebtedness of the Government; and

"(k) [h] such other financial statements and data as in his opinion are necessary or desirable in order to make known in all practicable detail the financial condition of the Government."

(b) Section 203 of such Act is amended to read as follows:

"SEC. 203. (a) The President from time to time may transmit to Congress *such proposed* supplemental or deficiency appropriations [estimates for such appropriations of expenditures] as in his judgment (1) are necessary on account of laws enacted after the transmission of the Budget, or (2) are otherwise in the public interest. He shall accompany such [estimates] *proposals* with a statement of the reasons therefor, including the reasons for their omission from the Budget.

"(b) Whenever such *proposed* supplemental or deficiency [estimates] *appropriations* reach an aggregate which, if they had been contained in the Budget, would have required the President to make a recommendation under subsection (a) of section 202, he shall thereupon make such recommendation."

(c) Section 204 of such Act is amended to read as follows:

"SEC. 204. [a] Except as otherwise provided in this Act, the contents, order, and arrangement of the [estimates of] *proposed* appropriations and the statements of expenditures and estimated expenditures contained in the Budget or transmitted under section 203, and the notes and other data submitted therewith, shall conform to [the] requirements [of existing law] prescribed by the President."

"[b. Estimates for lump sum appropriations contained in the Budget or transmitted under section 203 shall be accompanied by statements showing, in such detail and form as may be necessary to inform Congress, the manner of expenditure of such appropriations, and of the corresponding appropriations for the fiscal year in progress and the last completed fiscal year. Such statements shall be in lieu of statements of like character now required by law.]"

(d) Section 205 of such Act is amended to read as follows:

"SEC. 205. *Whenever any basic change is made in the form of the Budget*, the President, in addition to the Budget, shall transmit to Congress [on the first day in December 1921, for the services of the year ending June 30, 1923 only, an alternative budget, which shall be prepared in such form and amounts, and according to such system of classification and itemization as is, in his opinion, most appropriate, with] such explanatory notes and tables as may be necessary to show where the various items embraced in the Budget *of the prior year* are contained in [such alternative] *the new Budget*."

(e) The last sentence of section 207 of such Act is amended to read as follows: "The Bureau, under such rules and regulations as the President may prescribe, shall prepare [for him] the Budget, [the alternative Budget] and any *proposed* supplemental or deficiency *appropriations* [estimates], and to this end shall have

authority to assemble, correlate, revise, reduce, or increase the requests for appropriations [estimate] of the several departments or establishments."

(f) Section 214 of such Act is amended to read as follows:

"Sec. 214. [a] The head of each department and establishment shall *prepare or cause to be prepared* [designate an official thereof as budget officer therefor, who] in each year [under his direction and on or before a date fixed by him, shall prepare the departmental estimates] *his requests for regular, supplemental, or deficiency appropriations.*"

[b. Such budget officer shall also prepare, under the direction of the head of the department or establishment, such supplemental and deficiency estimates as may be required for its work.]

(g) Section 215 of such Act is amended to read as follows:

"Sec. 215. The head of each department and establishment shall [revise the departmental estimates and submit them] *submit his requests for appropriations to the Bureau on or before [September 15 of each year] a date which the President shall determine.* In case of his failure to do so, the President shall cause such requests to be prepared [such estimates and date] as are necessary to enable him to include such requests with the Budget [estimates and statements] in respect to the work of such department or establishment."

(h) Section 216 of such Act is amended to read as follows:

"Sec. 216. [The departmental estimates and any] *Requests for regular, supplemental, or deficiency [estimates] appropriations which are submitted to the Bureau by the head of any department or establishment shall be prepared and submitted [in such form, manner and detail] as the President may determine [prescribe] in accordance with the provisions of section 201.*"

GOVERNMENT STATISTICAL ACTIVITIES

SEC. 103. *The President, through the Director of the Bureau of the Budget, is authorized and directed to develop programs and to issue regulations and orders for the improved gathering, compiling, analyzing, publishing, and disseminating of statistical information for any purpose by the various agencies in the executive branch of the Government. Such regulations and orders shall be adhered to by such agencies.*

IMPROVED ADMINISTRATION OF EXECUTIVE AGENCIES

SEC. 104. *The President, through the Director of the Bureau of the Budget, is authorized and directed to evaluate and develop improved plans, for the organization coordination, and management of the executive branch of the Government with a view to efficient and economical service.*

BUSINESS-TYPE BUDGETS

SEC. 105. The first two sentences of section 102 of the Government Corporation Control Act of 1945 (59 Stat. 597), are amended to read as follows: "Each wholly owned Government corporation shall cause to be prepared annually a *business-type budget [program]* which shall be submitted to the [President through the Bureau of the Budget on or before September 15 of each year the] Bureau of the Budget, under such rules and regulations as the President may establish [is authorized and directed to prescribe] *as to the date of submission, the form and content [of], the classifications of data, and the manner in which such budget program shall be prepared and presented.*"

PART II—ACCOUNTING AND AUDITING

SHORT TITLE

SEC. 110. *This part may be cited as the "Accounting and Auditing Act of 1950".*

DECLARATION OF POLICY

SEC. 111. *It is the policy of the Congress in enacting this part that—*

(a) *The accounting of the Government provide full disclosure of the results of financial operations, adequate financial information needed in the management of operations and the formulation and execution of the Budget, and effective control over income, expenditures, funds, property, and other assets.*

(b) *Full consideration be given to the needs and responsibilities of both the legislative and executive branches in the establishment of accounting and reporting systems and requirements.*

(c) The maintenance of accounting systems and the producing of financial reports with respect to the operations of executive agencies, including central facilities for bringing together and disclosing information on the results of the financial operations of the Government as a whole, be the responsibility of the executive branch.

(d) The auditing for the Government, conducted by the Comptroller General of the United States as an agent of the Congress be directed at determining the extent to which accounting and related financial reporting fulfill the purposes specified, financial transactions have been consummated in accordance with laws, regulations or other legal requirements, and adequate internal financial control over operations is exercised, and afford an effective basis for the settlement of accounts of accountable officers.

(e) Emphasis be placed on effecting orderly improvements resulting in simplified and more effective accounting, financial reporting, budgeting, and auditing requirements and procedures and on the elimination of those which involve duplication or which do not serve a purpose commensurate with the costs involved.

(f) The Comptroller General of the United States, the Secretary of the Treasury, and the Director of the Bureau of the Budget conduct a continuous program for the improvement of accounting and financial reporting in the Government.

ACCOUNTING AND REPORTING PROVISIONS

SEC. 112. (a) The Comptroller General of the United States, after consulting the Secretary of the Treasury and the Director of the Bureau of the Budget concerning their accounting, financial reporting, and budgetary needs, and considering the needs of the other executive agencies, shall prescribe the principles, standards, and related requirements for accounting to be observed by each executive agency, including requirements for suitable integration between the accounting processes of each executive agency and the accounting of the Treasury Department. Requirements prescribed by the Comptroller General shall be designed to permit the executive agencies to carry out their responsibilities under section 113 of this part, while providing a basis for integrated accounting for the Government, full disclosure of the results of the financial operations of each executive agency and the Government as a whole, and financial information and control necessary to enable the Congress and the President to discharge their respective responsibilities. The Comptroller General shall continue to exercise the authority vested in him by section 205 (b) of the Federal Property and Administrative Services Act of 1949 (63 Stat. 389) and, to the extent he deems necessary, the authority vested in him by section 309 of the Budget and Accounting Act, 1921 (42 Stat. 25). Any such exercise of authority shall be consistent with the provisions of this section.

(b) The General Accounting Office shall cooperate with the executive agencies in the development of their accounting systems, including the Treasury Department, in the development and establishment of the system of central accounting and reporting required by section 114 of this part. Such accounting systems shall be approved by the Comptroller General when deemed by him to be adequate and in conformity with the principles, standards, and related requirements prescribed by him.

(c) The General Accounting Office shall from time to time review the accounting systems of the executive agencies. The results of such reviews shall be available to the heads of the executive agencies concerned, to the Secretary of the Treasury, and to the Director of the Bureau of the Budget, and the Comptroller General shall make such reports thereon to the Congress as he deems proper.

SEC. 113. (a) The head of each executive agency shall establish and maintain systems of accounting and internal control designed to provide—

- (1) full disclosure of the financial results of the agency's activities;
- (2) adequate financial information needed for the agency's management purposes;
- (3) effective control over and accountability for all funds, property, and other assets for which the agency is responsible, including appropriate internal audit;
- (4) reliable accounting results to serve as the basis for preparation and support of the agency's budget requests, for controlling the execution of its budget, and for providing financial information required by the Bureau of the Budget under section 213 of the Budget and Accounting Act, 1921 (42 Stat. 23);
- (5) suitable integration of the accounting of the agency with the accounting of the Treasury Department in connection with the central accounting and reporting responsibilities imposed on the Secretary of the Treasury by section 114 of this part.

(b) *The accounting systems of executive agencies shall conform to the principles, standards, and related requirements prescribed by the Comptroller General pursuant to section 112 (a) of this part.*

SEC. 114. (a) *The Secretary of the Treasury shall prepare such reports for the information of the President, the Congress, and the public as will present the results of the financial operations of the Government: Provided, That there shall be included such financial data as the Director of the Bureau of the Budget may require in connection with the preparation of the Budget or for other purposes of the Bureau. Each executive agency shall furnish the Secretary of the Treasury such reports and information relating to its financial condition and operations as the Secretary, by rules and regulations, may require for the effective performance of his responsibilities under this section.*

(b) *The Secretary of the Treasury is authorized to establish the facilities necessary to produce the financial reports required by subsection (a) of this section. The Secretary is further authorized to reorganize the accounting functions and install, revise, or eliminate accounting procedures and financial reports of the Treasury Department in order to develop effective and coordinated systems of accounting and financial reporting in the several bureaus and offices of the Department with such concentration of accounting and reporting as is necessary to accomplish integration of accounting results for the activities of the Department and provide the operating center for the consolidation of accounting results of other executive agencies with those of the Department. The authority vested in and the duties imposed upon the Department by sections 10, 15, and 22 of the Act entitled "An Act making appropriations for the legislative, executive, and judicial branches of the Government for the fiscal year ending June thirtieth, eighteen hundred ninety-five, and for other purposes", approved July 31, 1894 (28 Stat. 162, 208-210), may be exercised and performed by the Secretary of the Treasury as a part of his broader authority and duties under this section and in such a manner as to provide a unified system of central accounting and reporting on the most efficient and useful basis.*

(c) *The system of central accounting and reporting provided for herein shall be consistent with the principles, standards, and related requirements prescribed by the Comptroller General pursuant to section 112 of this part.*

SEC. 115. (a) *When the Secretary of the Treasury and the Comptroller General determine that existing procedures can be modified in the interest of simplification, improvement, or economy, with sufficient safeguards over the control and accounting for the public funds, they may issue joint regulations providing for the waiving, in whole or in part, of the requirements of existing law that—*

(1) *warrants be issued and countersigned in connection with the receipt, retention, and disbursement of public moneys and trust funds; and*

(2) *funds be requisitioned, and advanced to accountable officers under each separate appropriation head or otherwise.*

(b) *Such regulations may further provide for the payment of vouchers by authorized disbursing officers by means of checks issued against the general account of the Treasurer of the United States: Provided, That in such case the regulations shall provide for appropriate action in the event of delinquency by disbursing officers in the rendition of their accounts or for other reasons arising out of the condition of the officers' accounts, including under necessary circumstances, the suspension or withdrawal of authority to disburse.*

SEC. 116. *The Comptroller General is authorized to discontinue the maintenance in the General Accounting Office of appropriation, expenditure, limitation, receipt, and personal ledger accounts when in his opinion the accounting systems and internal control of the executive, legislative, and judicial agencies are sufficient to enable him to perform properly the functions to which such accounts relate.*

AUDITING PROVISIONS

SEC. 117. (a) *Except as otherwise specifically provided by law, the financial transactions of each executive, legislative, and judicial agency, including but not limited to the accounts of accountable officers, shall be audited by the General Accounting Office in accordance with such principles and procedures and under such rules and regulations as may be prescribed by the Comptroller General of the United States. In the determination of auditing procedures to be followed and the extent of examination of vouchers and other documents, the Comptroller General shall give due regard to generally accepted principles of auditing, including consideration of the effectiveness of accounting organizations and systems, internal audit and control, and related administrative practices of the respective agencies.*

(b) Whenever the Comptroller General determines that the audit shall be conducted at the place or places where the accounts and other records of an executive agency are normally kept, he may require any executive agency to retain in whole or in part accounts of accountable officers, contracts, vouchers, and other documents, which are required under existing law to be submitted to the General Accounting Office, under such conditions and for such period not exceeding ten years as he may specify, unless a longer period is agreed upon with the executive agency: Provided, That under agreements between the Comptroller General and legislative and judicial agencies the provisions of this sentence may be extended to the accounts and records of such agencies.

GENERAL PROVISIONS

SEC. 118. As used in this part, the term "executive agency" means any executive department or independent establishment in the executive branch of the Government but (a) except for the purposes of sections 114, 116, and 119 shall not include any Government corporation or agency subject to the Government Corporation Control Act (59 Stat. 597), and (b) except for the purposes of sections 111, 114, and 116 shall not include the Post Office Department.

SEC. 119. The head of each executive agency is authorized to designate the place or places, at the seat of government or elsewhere, at which the administrative examination of fiscal officers' accounts will be performed, and with the concurrence of the Comptroller General to waive the administrative examination in whole or in part: Provided, That the same authority is hereby conferred upon the officers responsible for the administrative examination of accounts for legislative and judicial agencies.

TITLE II—APPROPRIATIONS

AUTHORIZATIONS FOR APPROPRIATIONS

SEC. 201. No requests for legislation, which, if enacted, would authorize subsequent appropriations for a department or establishment in the executive branch of the Government, shall be transmitted to the Bureau of the Budget, to the President, or to the Congress by such department or establishment, or by any organizational unit thereof, without the prior approval of the head of such department or establishment.

ADJUSTMENT OF APPROPRIATIONS FOR REORGANIZATION

SEC. 202. (a) When under authority of law a function or an activity is transferred or assigned from one agency within any department or establishment to another agency in the same department or establishment, the balance of appropriations which are determined by the head of such department or establishment to be available and necessary to finance or discharge the function or activity so transferred or assigned may, with the approval of the President, be transferred to, and be available for use by, the agency to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby authorized to be established, and shall be merged with funds in the applicable existing or newly established appropriation account or accounts and thereafter accounted for as one fund.

(b) When under authority of law a function or activity is transferred or assigned from one department or establishment to another department or establishment, the balance of appropriations which are determined by the President to be available and necessary to finance or discharge the function or activity so transferred or assigned, shall be transferred to and be available for use by the department or establishment to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby authorized to be established, and shall be merged with funds in the applicable existing or newly established appropriation account or accounts and thereafter accounted for as one fund.

TITLE III—REPEALS AND SAVING PROVISIONS

REPEALS

SEC. 301. (1) [SEC. 10. That section six of the sundry civil appropriation Act approved August twenty-fourth, nineteen hundred and twelve, is amended to read as follows:

"SEC. 6. That there shall be submitted hereafter, in the annual Book of Estimates following every estimate for a general or lump-sum appropriation,

except public buildings or other public works constructed under contract, a statement showing in parallel columns:

"First, the number of persons, if any, intended to be employed and the rates of compensation to each, and the amounts contemplated to be expended for each of any other objects or classes of expenditures specified or contemplated in the estimate, including a statement of estimated unit cost of any construction work proposed to be done; and

"Second, the number of persons, if any, employed and the rate of compensation paid each, and the amounts expended for each other object or class of expenditure, and the actual unit cost of any construction work done, out of the appropriation corresponding to the estimate so submitted, during the completed fiscal year next preceding the period for which the estimate is submitted.

"Other notes shall not be submitted following any estimate embraced in the annual Book of Estimates other than such as shall suggest changes in form or order of arrangement of estimates and appropriations and reasons for such changes."】

(2) Sec. 4. That the act entitled "An Act limiting the appropriation of certain moneys for the preparation, issue, and re-issue of certain securities of the United States, and for other purposes," approved May twenty-third, eighteen hundred and seventy-two, and all other acts and parts of acts making permanent appropriations for the expenses of the national loan, except the second section of the act approved July fourteenth, eighteen hundred and seventy, entitled "An Act to authorize the refunding of the national debt," are hereby repealed, this repeal to take place on the first day of July next; 【and hereafter the Secretary of the Treasury shall annually submit to Congress detailed estimates of appropriations required for said expenses;】

(3) For payment of certain judgments, including costs of suit, which have been rendered by the United States courts on mandate of the Supreme Court of the United States and by the circuit court of Fond du Lac County, Wisconsin, and not appealed, for which the United States is liable, certified to Congress at its present session by the Attorney General in House Document Numbered Six hundred and sixty-nine, except the two judgments in favor of the Coca-Cola Company, fifty-seven thousand three hundred and seventy-two dollars and seventy-nine cents, together with such additional sum as may be necessary to pay interest at a rate not exceeding four per centum per annum on the respective judgments as may be authorized by law from the date thereof: *Provided*, That none of the judgments herein provided for shall be paid until the right of appeal shall have expired【: *Provided further*, That hereafter estimates for the payment of all judgments against the United States, including judgments in Indian depredation claims and of United States courts shall be transmitted to Congress through the Treasury Department as other estimates of appropriations are required to be transmitted】.

(4) Sec. 5. That from and after the first day of July, eighteen hundred and eighty-two, and of each year thereafter, the Secretary of the Treasury shall cause all unexpended balances of the permanent and indefinite appropriations for collecting the revenue from customs which shall have remained upon the books of the Treasury for two fiscal years to be carried to the surplus fund and covered into the Treasury. 【And it shall be the duty of the Secretary of the Treasury to include in his next estimates to Congress, and annually thereafter, a statement specifying in detail the number and class of officers and employees of every grade and nature, with the rate of compensation to each, that may in his judgment be necessary to properly conduct the business of collecting the revenue at each port of entry in the United States, together with an estimate of the amounts required for contingent expenses at each of said ports, and for such additional expenses of the service as cannot be otherwise specifically provided for.】

(5)

MINTS AND ASSAY OFFICES

* * * * *

All laws and parts of laws, to the extent that they make a permanent indefinite appropriation for the expenses of parting and refining bullion, are repealed to take effect from and after June thirtieth, nineteen hundred and twelve【, and the Secretary of the Treasury shall, for the fiscal year nineteen hundred and thirteen, and annually thereafter, submit to Congress, in the regular Book of Estimates, detailed estimates for the expenses of this service】.

NOTE.—The above bracketed provision of the act of March 4, 1911 (36 Stat. 1292; U. S. C. 31, sec. 583 (4)), requires detailed estimates for parting and refining bullion. Its repeal is proposed because it has been superseded by sections 201 and 204 of the Budget and Accounting Act of 1921.

(6) The Secretary of the Treasury may employ such number of expert money assorters, feeders, and other employees, and expend such sums for contingent and miscellaneous items and for the purchase or construction and installation of paper-money laundering machines as may be necessary, in his judgment, to install, maintain, and operate such laundering machines in the Treasury at Washington and at the subtreasuries: *Provided*, That the money required to pay for such purpose shall not exceed \$60,000, which sum is hereby appropriated, the same to continue available during the fiscal year nineteen hundred and thirteen: *Provided further*, That estimates hereunder shall be submitted in detail for the fiscal year nineteen hundred and fourteen, and annually thereafter.】

FEDERAL FARM LOAN BOARD

(7) For salaries and expenses under the Federal Farm Loan Board created by the Act approved July seventeenth, nineteen hundred and sixteen, including the salaries of four members thereof at the rate of \$10,000 each per annum, and their actual necessary traveling expenses, and such salaries, fees, and expenses as are authorized by said Act, also not exceeding \$10,000 for rental of quarters in the District of Columbia for such bureaus of the Treasury Department that it may be necessary to move in order to accommodate the Federal Farm Loan Board in the Treasury Building, fiscal year nineteen hundred and seventeen, \$100,000. 【A detailed statement of expenditures hereunder shall be made to Congress, and hereafter detailed estimates for appropriations for the Federal Farm Loan Board shall be annually submitted to Congress.】

FEDERAL FARM LOAN BUREAU:

* * * * *

For salaries and expenses under the Federal Farm Loan Board created by the Act approved July seventeenth, nineteen hundred and sixteen, including the actual necessary traveling expenses of the members of the board and such salaries, fees, and expenses as are authorized by said Act, including farm-loan registrars, examiners, and such attorneys, experts, assistants, clerks, laborers, and other employees in the District of Columbia and elsewhere as the Federal Farm Loan Board may find necessary, \$182,080; in all, \$260,000. A detailed statement of expenditures hereunder shall be made to Congress.

【Estimates in detail for all expenditures under the Federal Farm Loan Bureau for the fiscal year nineteen hundred and nineteen, and annually thereafter, shall be submitted to Congress in the annual Book of Estimates.】

(8) 【And hereafter the Secretary of War shall annually submit estimates in detail for river and harbor improvements required for the ensuing fiscal year to the Secretary of the Treasury to be included in, and carried into the sum total of, the Book of Estimates.】

(9) SEC. 6. 【That estimates of appropriations for fortifications and other works of defense, for the armament thereof, and for the procurement of heavy ordnance for trial and service shall be submitted to Congress in the Book of Estimates for the fiscal year 1921 and each fiscal year thereafter upon an annual basis.】

(10) SIGNAL SERVICE OF THE ARMY: For expenses of the Signal Service of the Army, as follows: Purchase, equipment, and repair of field electric telegraphs, signal equipments and stores, binocular glasses, telescopes, heliostats, and other necessary instruments, including necessary meteorological instruments for use on target ranges; war balloons; telephone apparatus (exclusive of exchange service) and maintenance of the same; electrical installations and maintenance at military posts; fire control and direction apparatus and material for field artillery; maintenance and repair of military telegraph lines and cables, including salaries of civilian employees, supplies, and general repairs, and other expenses connected with the duty of collecting and transmitting information for the Army by telegraph or otherwise, two hundred thousand dollars: *Provided*, That of the receipts of the Washington-Alaska Military Cable and Telegraph System that have been covered into the Treasury of the United States, the sum of one hundred and ninety thousand dollars be, and the same is hereby, made available until expended for defraying the cost of such extensions and betterments of the system as may be approved by the Secretary of War, the extent of such extensions and the cost thereof to be reported to Congress by the Secretary of War: *Provided further*, That hereafter detailed estimates shall be submitted to Congress for any further extension of the cable or telegraph lines in the district of Alaska.】

(11) 【The Postmaster-General shall for the fiscal year eighteen hundred and ninety-nine, and annually thereafter, submit in the annual estimates to Congress estimates in detail as far as practicable for expenses of the free delivery service.】

(12) Not exceeding twenty per centum of the foregoing sum and not exceeding ten per centum of the sum for investigation as to causes of mine explosions may be used during the fiscal year nineteen hundred and sixteen for personal services in the District of Columbia; and for the fiscal year nineteen hundred and seventeen, and annually thereafter, [estimates shall be submitted specifically for all personal services required permanently and entirely in the Bureau of Mines at Washington, District of Columbia, and previously paid from lump-sum or general appropriations];

(13) For clerk hire, and other services, at eighteen pension agencies during the first seven months of the fiscal year nineteen hundred and thirteen and in the office of the disbursing clerk for the payment of pensions during the last five months of fiscal year nineteen hundred and thirteen and including not exceeding ten thousand dollars for expenses of consolidating and removing records and equipment of pension agencies, three hundred and seventy-five thousand dollars, or so much thereof as may be necessary[: *Provided*, That estimates in detail shall be submitted for the fiscal year nineteen hundred and fourteen and annually thereafter for clerks and others employed in the office of the disbursing clerk for the payment of pensions and the amounts to be paid to each].

(14) [That the Secretary of Commerce and Labor shall submit to Congress for the fiscal year nineteen hundred and five, and annually thereafter, estimates in detail for all personal services and for all general and miscellaneous expenses for the Department of Commerce and Labor].

(15) SEC. 12. That to enforce the provisions of this Act and such regulations as he may establish in pursuance thereof, the Secretary of Commerce and Labor is authorized and directed to depute, in addition to the agent and assistant agent of salmon fisheries now provided by law, from the officers and employees of the Department of Commerce and Labor, a force adequate to the performance of all work required for the proper investigation, inspection, and regulation of the Alaskan fisheries and hatcheries [, and he shall annually submit to Congress estimates to cover the cost of the establishment and maintenance of fish hatcheries in Alaska, the salaries and actual traveling expenses of such officials, and for such other expenditures as may be necessary to carry out the provisions of this Act].

(16) CENSUS OFFICE: The unexpended balance of the appropriation made by the sundry civil appropriation Act approved March third, nineteen hundred and one, for salaries and necessary expenses for taking and compiling results of the Twelfth Census is hereby reappropriated and made available for continuing the work of taking the Twelfth Census, and for all expenses, including cost of all printing, arising under and authorized by the Act to provide for a permanent Census Office, approved March sixth, nineteen hundred and two, including the purchase of necessary law books, books of reference and periodicals, and manuscripts[: *Provided*, That estimates in detail for the expenses of the permanent Census Office for the fiscal year nineteen hundred and four and annually thereafter shall be submitted in the regular Book of Estimates].

(17) [Estimates in detail for all expenditures under the Federal Trade Commission for the fiscal year nineteen hundred and seventeen, and annually thereafter, shall be submitted to Congress in the annual Book of Estimates.]

(18) [The Secretary of Labor shall submit to Congress, for the fiscal year nineteen hundred and fifteen, and annually thereafter, estimates in detail for all personal services and for all general and miscellaneous expenses for the Department of Labor.]

(19) For additional assistants, clerical and otherwise, necessary to establish and maintain a division of information in the Bureau of Immigration and Naturalization, Department of Commerce and Labor, until June thirtieth, nineteen hundred and eight, fifty thousand dollars, which shall be paid from the permanent appropriation for expenses of regulating immigration[: *Provided*, That detailed estimates shall be submitted in the manner required by law for appropriations required to meet this object during the fiscal year nineteen hundred and nine and thereafter].

(20) [UNITED STATES PENITENTIARY, McNEILS ISLAND, WASHINGTON: That for the fiscal year nineteen hundred and ten, and annually thereafter, the Attorney-General shall submit estimates in detail for all expenses of maintaining said penitentiary, including salaries of all necessary officers and employees therefor.]

(21) [For the fiscal year nineteen hundred and fourteen and annually thereafter estimates in detail shall be submitted for all personal services required in the Indian Office.]

(22) * * * * [Provided, That for the fiscal year 1922 and annually thereafter estimates of appropriations shall be submitted to Congress in the manner pre-

scribed by law for expenses arising in connection with the loans authorized by the various Liberty Bond Acts and the Victory Liberty Loan Act.]

(23) [SEC. 3660. The heads of Departments, in communicating estimates of expenditures and appropriations to Congress, or to any of the committees thereof, shall specify, as nearly as may be convenient, the sources from which such estimates are derived, and the calculations upon which they are founded, and shall discriminate between such estimates as are conjectural in their character and such as are framed upon actual information and applications from disbursing officers. They shall also give references to any law or treaty by which the proposed expenditures are, respectively, authorized, specifying the date of each, and the volume and page of the Statutes at Large, or of the Revised Statutes, as the case may be, and the section of the act in which the authority is to be found.]

(24) [Sec. 4. Hereafter the estimates for expenses of the Government, except those for sundry civil expenses, shall be prepared and submitted each year according to the order and arrangement of the appropriation Acts for the year preceding. And any changes in such order and arrangement, and transfers of salaries from one office or bureau to another office or bureau, or the consolidation of offices or bureaus desired by the head of any Executive Department may be submitted by note in the estimates. The committees of Congress in reporting general appropriation bills shall, as far as may be practicable, follow the general order and arrangement of the respective appropriation Acts for the year preceding.]

[Hereafter the heads of the several Executive Departments and all other officers authorized or required to make estimates for the public service shall include in their annual estimates furnished the Secretary of the Treasury for inclusion in the Book of Estimates all estimates of appropriations required for the service of the fiscal year for which they are prepared and submitted, and special or additional estimates for that fiscal year shall only be submitted to carry out laws subsequently enacted, or when deemed imperatively necessary for the public service by the Department in which they shall originate, in which case such special or additional estimate shall be accompanied by a full statement of its imperative necessity and reasons for its omission in the annual estimates.]

(25) [SEC. 4. When estimates hereafter transmitted to the Treasury for submission to Congress do not in form and arrangement comply with the provisions of section four of the legislative, executive, and judicial appropriation Act, approved June twenty-second, nineteen hundred and six, they shall, under direction of the Secretary of the Treasury, be rearranged so as to comply with said requirements of law.]

(26) [SEC. 2. Hereafter there shall be submitted in the regular annual estimates to Congress under and as a part of the expenses for "Printing and binding," estimates for all printing and binding required by each of the Executive Departments, their bureaus and offices, and other Government establishments at Washington, District of Columbia, for each fiscal year; and after the fiscal year nineteen hundred and seven no appropriations other than those made specifically and solely for printing and binding shall be used for such purposes in any Executive Department or other Government establishment in the District of Columbia: *Provided*, That nothing in this section shall apply to stamped envelopes, or envelopes and articles of stationery other than letterheads and noteheads, printed in the course of manufacture.]

* * * [Provided, That nothing in section two of the sundry civil appropriation Act for the fiscal year ending June thirtieth, nineteen hundred and seven, shall hereafter be held to apply to so much of the printing and binding as is necessary to expedite the work of that branch of The Military Secretary's Office that was formerly known as the Record and Pension Office of the War Department.]

(27) [SEC. 3661. The head of each of the Executive Departments, and every other public officer who is authorized to have printing and binding done at the Congressional Printing Office for the use of his Department or public office, shall include in his annual estimate for appropriations for the next fiscal year such sum or sums as may to him seem necessary "for printing and binding, to be executed under the direction of the Congressional Printer."]

(28) * * * [Provided further, That all printing and engraving for the Geological Survey, the Coast and Geodetic Survey, the Hydrographic Office of the Navy Department, and the Signal Service shall hereafter be estimated for separately and in detail, and appropriated for separately for each of said Bureaus.]

(29) [SEC. 3662. All estimates for the compensation of officers authorized by law to be employed shall be founded upon the express provisions of law, and not upon the authority of executive distribution.]

(30) [SEC. 3663. Whenever any estimate submitted to Congress by the head of a Department asks an appropriation for any new specific expenditure, such as the erection of a public building, or the construction of any public work, requiring a plan before the building or work can be properly completed, such estimate shall be accompanied by full [plan] [plans] and detailed estimates of the cost of the whole work. All subsequent estimates for any such work shall state the original estimated cost, the aggregate amount theretofore appropriated for the same, and the amount actually expended thereupon, as well as the amount asked for the current year for which such estimate is made. And if the amount asked is in excess of the original estimate, the full reasons for the excess, and the extent of the anticipated excess, shall be also stated.]

(31) [SEC. 3664. Whenever the head of a Department, being about to submit to Congress the annual estimates of expenditures required for the coming year, finds that the usual items of such estimates vary materially in amount from the appropriation ordinarily asked for the object named, and especially from the appropriation granted for the same objects for the preceding year, and whenever new items not theretofore usual are introduced into such estimates for any year, he shall accompany the estimates by minute and full explanations of all such variations and new items, showing the reasons and grounds upon which the amounts are required, and the different items added.]

(32) [SEC. 3665. The head of each Department, in submitting to Congress his estimates of expenditures required in his Department during the year then approaching, shall designate not only the amount required to be appropriated for the next fiscal year, but also the amount of the outstanding appropriation, if there be any, which will probably be required for each particular item of expenditure.]

(33) [That it shall be the duty of the Secretary of the Treasury to submit the estimates for the Revenue-Cutter Service for the fiscal year eighteen hundred and ninety-one, and for each year thereafter, in detail, showing separately, the amount required for pay of officers, rations for officers, pay of crews, rations of crews, fuel, repairs and outfits, ship-chandlery, and for traveling and contingent expenses. He shall also include in the annual Book of Estimates a statement showing the authorized number of officers and cadets in the Revenue Cutter Service, their rank and pay; also the number of men constituting the crews of vessels in said service.]

(34) [That the Secretary of the Treasury shall for the fiscal year eighteen hundred and eighty-seven, and for each fiscal year thereafter in the annual estimates, report to Congress the number of persons employed outside of the District of Columbia, as superintendents, clerks, watchmen, and otherwise, and paid from appropriations for the construction of public buildings showing where said persons are employed, in what capacity, the length of time, and at what rate of compensation.]

(35) [; and hereafter the Secretary of the Treasury shall annually report to Congress in the Book of Estimates a statement of the expenditure of the appropriation for "repairs and preservation of public buildings" which shall show the amount expended on each public building and the number of persons employed and paid salaries from such appropriation.]

(36) [and the Secretary of the Treasury shall submit for the fiscal year 1921, and annually thereafter, an estimate of appropriations to refund and pay back duties or taxes erroneously or illegally assessed or collected under the internal-revenue laws, and to pay judgments, including interest and costs, rendered for taxes or penalties erroneously or illegally assessed or collected under the internal-revenue laws.]

(37) [And hereafter the Secretary of State shall in the estimates for the annual expenditures of the expenses of diplomatic and consular service estimate for the entire amount required for its support, including all commercial agents and other officers, whether paid by fees or otherwise, specifying the compensation to be allowed or deemed advisable in each individual case.]

(38) [Hereafter the Secretary of State shall, in submitting estimates for the consular service, segregate, and submit separately, estimates for rent of consular offices, and under contingent expenses estimate for the amount required annually to be expended at consular offices for purposes within the discretion of the Department.]

(39) [And hereafter the Secretary of War shall annually submit estimates in detail for river and harbor improvements required for the ensuing fiscal year to the Secretary of the Treasury to be included in, and carried into the sum total of, the Book of Estimates.]

(40) [Hereafter estimates shall not be submitted to Congress for appropriations for construction of gun and mortar batteries, modernizing older emplacements, and other construction under the Engineer Department, in connection with fortifications, until after plans and estimates of cost shall have been prepared therefor.]

(41) [Hereafter all estimates for fortifications for insular possessions of the United States shall be made and submitted to Congress showing amount proposed to be expended at each harbor in each insular possession.]

(42)

SERVICE ARMY AND NAVY HOSPITAL

For one clerk, at twelve hundred dollars; one chief steward, seven hundred and twenty dollars; one assistant steward, four hundred and eighty dollars; two cooks, at four hundred and eighty dollars each; ten nurses, at three hundred and sixty dollars each; two ward-masters, at four hundred and twenty dollars each; one matron, at four hundred and eighty dollars; five laundresses, at one hundred and eighty dollars each; one engineer, at seven hundred and twenty dollars; one superintendent of buildings, at five hundred and twenty dollars; two laborers and watchmen, at four hundred and eighty dollars each; six bathhouse attendants, at three hundred dollars each; six dining-room waiters, at two hundred and forty dollars each; in all, fourteen thousand six hundred and twenty dollars; said sum to be disbursed under the direction of the Secretary of War, as a part of the appropriation for the Medical Department of the Army; and the estimates for this service shall hereafter be submitted as a part of the military establishment.]

(43) [It shall be the duty of the Secretary of the Navy to submit in the Book of Estimates for the fiscal year nineteen hundred and two, and annually thereafter, under the respective bureaus and offices of the Navy Department, a statement in detail, showing the number of persons employed during the previous fiscal year and the rate of compensation of each under appropriations for "Increase of the Navy" or other general appropriations.]

(44) [SEC. 3668. The Postmaster-General shall submit to Congress at each annual session an estimate of the amount that will be required for the ensuing fiscal year, under each of the following heads:

First. Transportation of the mails.

Second. Compensation of postmasters.

Third. Compensation of clerks in post-offices.

Fourth. Compensation of letter-carriers.

Fifth. Compensation of blank-agents and assistants.

Sixth. Mail depredations and special agents.

Seventh. Postage-stamps and envelopes.

Eighth. Ship, steamboat, and way letters.

Ninth. Dead letters.

Tenth. Mail-bags.

Eleventh. Mail locks, keys, and stamps.

Twelfth. Wrapping-paper.

Thirteenth. Office-furniture.

Fourteenth. Advertising.

Fifteenth. Balances to foreign countries.

Sixteenth. Rent, light, and fuel for post-offices.

Seventeenth. Stationery.

Eighteenth. Miscellaneous.

Such estimates shall show the sums paid under each head, and the names of the persons to whom payments are made out of the miscellaneous fund; but the names of persons employed in detecting depredations on the mail, and of other confidential agents, need not be disclosed.]

(45) Office of the Second Assistant Postmaster General.—For inland mail transportation, namely: For transportation by postal cars, one million two hundred and fifty thousand dollars; *Provided*, That the Postmaster General may use such portion of the postal-car service appropriation as may be spared from it to supply any deficiency that may arise from insufficient appropriations in the item for railway transportation; *Provided*, That hereafter, in making his estimates for railway mail service, the Postmaster General shall separate the estimate for postal-car service from the general estimates; and in case any increase or diminution of service by postal cars shall be made by him, the reasons therefor shall be given in his annual report next succeeding such increase or diminution. And the proviso to the act entitled "An act to provide for a deficiency in the appropriation for transportation of mails by railroads for the fiscal year ending June thirtieth, eighteen hundred and seventy-nine", approved December twenty-

first, eighteen hundred and seventy-eight is hereby repealed: *Provided*, That the Postmaster General shall make no deficiency in the appropriation for the current fiscal year by placing postal cars on any line.

(46) For the United States Geological Survey: For the Geological Survey, and the classification of the public lands, and examination of the geological structure, mineral resources, and products of the national domain, and to continue the preparation of a geological map of the United States, including the pay of temporary employees in the field and office, and all other necessary expenses, to be expended under the direction of the Secretary of the Interior, four hundred thousand dollars; and hereafter the estimates for the Geological Survey shall be itemized.]

(47) [Hereafter, in lieu of the specific estimates for personal services now required by law, there shall be submitted in the Annual Book of Estimates, under each item of appropriation under "General expenses of the Geological Survey," notes showing the number of persons employed and the rate of compensation paid to each from each of said appropriations during the fiscal year next preceding the fiscal year for which estimates are submitted.]

(48) [Sec. 4. That hereafter the estimates for appropriations for the Indian service shall be presented in such form as to show the amounts required for each of the agencies in the several States or Territories, and for said States and Territories respectively.]

(49) [After July first, nineteen hundred and fourteen, the estimates for appropriations for the Indian Service submitted by the Secretary of the Interior, shall be accompanied by a detailed statement, classified in the manner prescribed in the first paragraph of this section, showing the purposes for which the appropriations are required.]

(50) [Hereafter the Secretary of the Interior shall submit in the annual Book of Estimates, following the estimates for each of the national parks, a classified statement of the receipts and expenditures for the complete fiscal year next preceding the fiscal year for which estimates of appropriations are submitted.]

(51) [Insular and Territorial Affairs: For defraying the necessary expenses incurred in the conduct of insular and other territorial matters and affairs within the jurisdiction of the Department of Justice, including the payment of necessary employees at the seat of government or elsewhere, to be selected and their compensation fixed by the Attorney-General, and to be expended under his direction, twenty-five thousand dollars: *Provided*, That estimates under this appropriation shall hereafter be submitted in detail under Legislative, Executive, and Judicial expenses.]

(52) [Hereafter the estimates for expenses of government in the Territories shall be submitted through and be subject to revision by the Department of the Interior.]

(53) [Detailed Estimates For Executive Officers, Clerks, and Employees Below the Grade of Clerk: The Secretary of Agriculture for the fiscal year nineteen hundred and eighteen, and annually thereafter, shall transmit to the Secretary of the Treasury for submission to Congress in the Book of Estimates detailed estimates for all executive officers, clerks, and employees below the grade of clerk, indicating the salary or compensation of each, necessary to be employed by the various bureaus, offices, and divisions of the Department of Agriculture, and shall include with such estimates a statement of all executive officers, clerks, and employees below the grade of clerk who may have been employed during the last completed fiscal year on any lump fund appropriation for the department and the salary or compensation of each.]

(54) Rent of Buildings, Department of Agriculture: For rent of buildings and parts of buildings in the District of Columbia, for use of the various bureaus, divisions, and offices of the Department of Agriculture, \$123,689: *Provided*, That the Secretary of Agriculture shall submit annually to Congress in his estimates of appropriations a statement showing what proportion of this appropriation is paid for the quarters occupied by the various branches of the department.]

(55) [Hereafter there shall be submitted in the annual Book of Estimates, under each item of appropriation under the head of "Light-House Establishment," notes showing the number of persons employed and the rate of compensation paid to each from each of said appropriations during the fiscal year next preceding the fiscal year for which estimates are submitted.]

(56) [Hereafter there shall be submitted, following each estimate for support of the Light-House Establishment, statements showing the amount required for each object of expenditure mentioned in each of said estimates, together with a statement of the expenditures under each of such objects for the fiscal year terminated next preceding the period of submitting said estimates.]

(57) [That the Commissioner of Fish and Fisheries shall embrace in the estimates of appropriations for the Fish Commission for the fiscal year eighteen hundred and ninety-four, and each year thereafter estimates for all officers, clerks, and other employees whose services are permanent and continuous in their character and deemed to be necessary for an efficient and economical execution of the appropriations for the Fish Commission.]

(58) [Hereafter there shall be submitted, following the estimates under the foregoing appropriation for expenses of regulating immigration, statements showing the amount required for each object of expenditure mentioned in said estimates, together with a statement of the expenditures under each of such objects for the fiscal year terminated next preceding the period of submitting said estimates.]

(59) [SEC. 6. That for the fiscal year nineteen hundred and sixteen and annually thereafter the estimates of appropriations for the Panama Canal shall be submitted in detail, showing the amounts required for personal services and the amounts required for material including all supplies, under the heads of construction, maintenance, operation, sanitation, and civil government, and following each there shall be submitted notes giving in parallel columns information which will show the number, by grade or classes, or officers, employees, and skilled and unskilled laborers proposed to be paid under each of said appropriations for the ensuing fiscal year and those paid at the close of the fiscal year next preceding the period when said estimates are prepared and submitted; also, in connection with each item for material and miscellaneous purposes other than salaries or pay for personal services, the amounts actually expended or obligated, quantities purchased, and prices paid for material or supplies during the entire fiscal year next preceding the preparation and submission of said estimates.]

[There shall also be submitted in connection with the foregoing information, statements of actual unit cost of all construction work done, and of estimated unit cost of work proposed to be done, for the fiscal years, included in the notes so required to be submitted with the annual estimates.]

(60) That the Public Printer is hereby authorized to pay to Albert Ordway, out of the current appropriations for printing for Congress, the sum of six hundred and forty-two dollars and ten cents, to reimburse him for expenditures on the index of the Congressional Record; and all payments heretofore made to him by the Public Printer on said account are hereby ratified and confirmed. That the Secretary of the Treasury shall, at the commencement of each session of Congress, report the amount due each claimant whose claim has been allowed in whole or in part to the Speaker of the House of Representatives and the presiding officer of the Senate, who shall lay the same before their respective Houses for consideration. [And hereafter all estimates of appropriations and estimates of deficiencies in appropriations intended for the consideration and seeking the action of any of the committees of Congress shall be transmitted to Congress through the Secretary of the Treasury, and in no other manner; and the said Secretary shall first cause the same to be properly classified, compiled, indexed, and printed, under the supervision of the chief of the division of warrants, estimates, and appropriations of his Department.]

(61) [SEC. 5. Hereafter the Secretary of the Treasury shall require, and it shall be the duty of the head of each Executive Department or other Government establishment to furnish him, within thirty days after the close of each fiscal year, a statement of all money arising from proceeds of public property of any kind or from any source other than the postal service, received by said head of Department or other Government establishment during the previous fiscal year for or on account of the public service, or in any other manner in the discharge of his official duties other than as salary or compensation, which was not paid into the General Treasury of the United States, together with a detailed account of all payments, if any, made from such funds during such year. All such statements, together with a similar statement applying to the Treasury Department, shall be transmitted by the Secretary of the Treasury to Congress at the beginning of each regular session.]

(62) Purchase of subsistence supplies:

* * * * *

[Provided, That hereafter the provisions of section five of the Act of June thirtieth, nineteen hundred and six (Thirty-fourth Statutes, page seven hundred and sixty-three), shall not be construed to apply to the Subsistence Department.]

(63) [SEC. 7. That no part of any money contained herein or hereafter appropriated in lump sum shall be available for the payment of personal services at a rate of compensation in excess of that paid for the same or similar services during the preceding fiscal year; nor shall any person employed at a specific salary be

hereafter transferred and hereafter paid from a lump-sum appropriation a rate of compensation greater than such specific salary, and the heads of departments shall cause this provision to be enforced: *Provided*, That this section shall not apply to mechanics, artisans, their helpers and assistants, laborers, or any other employees whose duties are of similar character and required in carrying on the various manufacturing or constructing operations of the Government.】

(64) 【That hereafter section seven of the Act approved August twenty-sixth, nineteen hundred and twelve (Thirty-seventh Statutes, page six hundred and twenty-six), and any amendments thereto, shall not apply to the payment, out of moneys appropriated or which may be hereafter appropriated in lump sum for the Department of Agriculture, for personal services of employees engaged in strictly scientific or technical work: *Provided*, That nothing contained herein shall be construed to authorize the transfer of any person employed at a specific salary and the payment of compensation from lump-sum appropriations at a rate greater than said specific salary.】

(65) To pay amounts found due by the accounting officers of the Treasury on account of the appropriation "Transportation, recruiting, and contingent, Bureau of Navigation," for the fiscal year nineteen hundred, nine hundred and thirty-nine dollars and sixty-six cents: *Provided*, That the transportation to their homes, if residents of the United States, of enlisted men and apprentices discharged on medical survey; and the transportation to the place of enlistment, if residents of the United States, of enlisted men and apprentices discharged on account of expiration of enlistment, shall hereafter be chargeable to the appropriation "Transportation, recruiting, and contingent".】

(66) 【That no part of the appropriations heretofore, herein, or hereafter made for "Increase of the Navy" under the Bureau of Ordnance and no part of allotments of appropriations heretofore or hereafter made to said bureau shall be available for the payment for services or materials used in the construction of any shop, building, living quarters, or other structures, except such temporary structures costing not in excess of \$5,000 each as may be incident to current work of said bureau, or for additions and betterments to any existing shore station facilities unless the appropriation shall in terms specifically authorize such construction or additions and betterments: *Provided*, That nothing herein shall be construed as interfering in any way with any existing contract or any work in progress on the date of the approval of this Act:】

(67) For additional amount for the objects mentioned in the foregoing paragraph and in lieu of expenditures heretofore made therefor from general appropriations for the naval establishment, twenty-six thousand dollars: and hereafter it shall not be lawful to expend, for any of the offices or bureaus of the Navy Department at Washington, any sum out of appropriations made for the naval establishment for any of the purposes mentioned or authorized in the said foregoing paragraph.】

(68) Increase of the Navy, Equipment: The unexpended balance on June thirtieth, nineteen hundred and fifteen, shall be transferred to appropriation "Increase of the Navy, construction and machinery", and beginning with July first, nineteen hundred and fifteen, equipment outfits shall be charged to appropriation "Increase of the Navy, construction and machinery".】

(69) Fuel and Transportation: Coal and other fuel for steamers' and ships' use, including expenses of transportation, storage, and handling the same; maintenance and general operation of machinery of naval coaling depots and coaling plants; water for all purposes on board naval vessels; and ice for the cooling of water, including the expense of transportation and storage of both, \$4,500,000: *Provided*, That hereafter, when the lowest obtainable cost of transportation of fuel between the Atlantic and Pacific coasts of the United States by merchant carriers is considered excessive, the appropriation "Fuel and transportation" may be charged with the expense of pay, transportation, shipping, and subsistence of civilian officers and crews, and such other incidental expenses as cannot be paid from other appropriations, of naval auxiliaries engaged in the transportation of fuel: *Provided*, That the appropriation "Maintenance of naval auxiliaries" is insufficient therefor.】

(70) For allowance for travel, retained and detained pay, clothing not drawn, and for interest on deposits, payable to enlisted men on discharge, seven hundred and eighty-eight thousand two hundred and nine dollars and thirty-three cents: *Provided*, That hereafter sums known as detained pay, which have already been or may hereafter be withheld from the monthly pay of enlisted men of the Army in obedience to court-martial sentences, shall, when repaid, become a charge

against the fund "pay of the Army" for the year in which said enlisted men have been or may be discharged.】

(71) 【Hereafter the appropriations "Ordnance-stores ammunition," "Small-arms target practice," and "Ordnance stores and supplies" shall be available for two years to procure the stores authorized by them.】

(72) On and after July 1, 1923, the cost of transportation of material in connection with the manufacturing and purchasing activities of the Signal Corps, Ordnance Department, Chemical Warfare Service, Air Service, Medical Department, Engineer Department, and the Coast Artillery Corps, and in connection with the construction and installation of fire-control projects at seacoast fortifications by the Coast Artillery Corps may be charged to the appropriations for the work in connection with which such transportation charges are required【; and the Budget estimates for each of such appropriations shall hereafter carry separately the amounts required for such transportation costs】.

(73) Manufacture, repairing, procuring, and issuing arms at the national armories, one million seven hundred thousand dollars【: *Provided*, That hereafter no part of the appropriations made for the Ordnance Department shall be used in payment of freight charges on ordnance or ordnance stores issued by said Department】.

(74) General expenses of public buildings:

* * * * *

【*Provided*, That expenditures for traveling expenses and subsistence of persons detailed to assist the inspector and assistant inspector of furniture may continue to be made, as heretofore, from the appropriation for "Furniture, and repairs of same, for public buildings" for the remainder of the fiscal year ending June thirtieth, nineteen hundred and ten, and no longer.】

(75) 【SEC. 3682. No moneys appropriated for contingent, incidental, or miscellaneous purposes shall be expended or paid for official or clerical compensation.】

(76) 【SEC. 3683. No part of the contingent fund appropriated to any Department, Bureau, or office, shall be applied to the purchase of any articles except such as the head of the Department shall deem necessary and proper to carry on the business of the Department, Bureau, or office, and shall, by written order, direct to be procured.】

(77) 【Hereafter section 3683 of the Revised Statutes of the United States shall not be construed to apply to any purchase made by the Department of Commerce when the aggregate amount involved does not exceed the sum of \$25.】

(78) For contingent expenses of the Post Office Department:

* * * * *

【*Provided*, That hereafter the expenditure of the contingent expenses of the Post Office Department shall be expended as specially directed in the law, and according to the appropriations for the items specifically named, and that no moneys appropriated for the specific purposes named under the head of "For contingent expenses of the Post Office Department" shall be diverted from one purpose to another; and that all moneys unexpended for one or more specific purposes shall be turned into the Treasury, and not expended, by the superintendent and disbursing officer, for any object or purpose whatsoever other than the specific ones named in the appropriation for the "Contingent expenses of the Post Office Department".】

(79) 【SEC. 3684. All appropriations for public buildings under the control of the Treasury Department shall be available immediately upon the approval of the act containing such appropriations.】

(80) 【SEC. 6. That the appropriations made to carry into effect the provisions of legislation authorizing the acquisition of land for sites for public buildings or the enlargement thereof, or for the construction, enlargement, extension, remodeling, or special repairs of public buildings under the control of the Treasury Department, shall be deemed to be available only for the purposes specifically enumerated in said legislation, and the Secretary of the Treasury is hereby authorized and directed to submit to Congress annually detailed estimates of appropriations necessary for defraying all expenses, both in the Office of the Supervising Architect and in the field, of every kind and character incident to, or requisite for, the administrative work of carrying into effect the provisions of this or subsequent public-building Acts, so far as the same relate to public buildings under the control of the Treasury Department, such estimates to be in addition to and separate and apart from the estimates of appropriations providing specifically for the salaries of certain officers and employees in the Office of the Supervising Architect; that the appropriations for said administrative work, when made, shall be immediately

available for such personal services and all other expenses and supplies, both for office and field work, as the Secretary of the Treasury may deem necessary and specially order or approve to carry into effect the provisions of this and subsequent Acts relating to the acquisition of land for sites or the enlargement thereof, or for the construction, enlargement, extension, remodeling, or special repairs of public buildings under the control of the Treasury Department, including the annual appropriations under the control of the Supervising Architect: *Provided*, That such persons as may be regularly appointed and paid from such appropriations shall be subject, in all respects, to the laws, rules, and regulations respecting entrance into or separation from the classified civil service of the United States, and shall be employed only in the Office of the Supervising Architect or in field-work of construction and repair under his supervision and control, and the Secretary of the Treasury shall annually submit to Congress in the Book of Estimates a statement, showing the names of all persons whose salaries or compensation are paid from said appropriations, their duties, and the rate of compensation and the amount paid to each of them, respectively: *And provided further*, That this Act shall not be construed as rendering unavailable for the employment of personal services in the Office of the Supervising Architect, or for any other purpose now authorized by law, any of the appropriations or balances of appropriations made prior to July first, nineteen hundred and seven, for the acquisition of land for sites, or the enlargement thereof, or for the erection, enlargement, extension, remodeling, or special repairs of public buildings under the control of the Treasury Department, or any of the annual appropriations under the control of the Supervising Architect. And all appropriations made in full or in part subsequent to July first, nineteen hundred and seven, for extension of the limits of cost of public buildings or sites, or for the acquisition of land for sites, or the enlargement thereof, or for the erection, enlargement, extension, remodeling, or special repairs of public buildings under the control of the Treasury Department, or for any annual appropriation under the control of the Supervising Architect, shall be subject to the provisions hereof.]

(81) Pay of Assistant Custodians and Janitors: For pay of assistant custodians and janitors, including all personal services in connection with the care of all public buildings under control of the Treasury Department outside of the District of Columbia, one million and eighty-six thousand two hundred dollars; and the Secretary of the Treasury shall so apportion this sum as to prevent a deficiency therein[, and hereafter no other fund appropriated shall be used for this service].

(82) [A detailed statement of the expenditure of the appropriations for the United States Commerce Court shall be submitted to Congress at the beginning of each regular session thereof.]

(83) [SEC. 26. On or before the first day of July, nineteen hundred and fourteen, the Secretary of the Interior shall cause a system of bookkeeping to be installed in the Bureau of Indian Affairs, which will afford a ready analysis of expenditures by appropriations and allotments and by units of the service, showing for each class of work or activity carried on, the expenditures for the operation of the service, for repairs and preservation of property, for new and additional property, salaries and wages of employees, and for other expenditures. Provision shall be made by the Secretary of the Interior for further analysis of each of the foregoing classes of expenditures, if, in his judgment, he shall deem it advisable.

[Annually, after July first, nineteen hundred and fourteen, a detailed statement of expenditures, as hereinbefore described, shall be incorporated in the annual report of the Commissioner of Indian Affairs and transmitted by the Secretary of the Interior to Congress on or before the first Monday in December.

[Before any appropriation for the Indian Service is obligated or expended, the Secretary of the Interior shall make allotments thereof in conformity with the intent and purpose of this Act, and such allotments shall not be altered or modified except with his approval.

[After July first, nineteen hundred and fourteen, the estimates for appropriations for the Indian Service submitted by the Secretary of the Interior, shall be accompanied by a detailed statement, classified in the manner prescribed in the first paragraph of this section, showing the purposes for which the appropriations are required.]

(84) [No appropriation or fund made available by this or any other appropriation Act to the executive departments and establishments, including corporations, for personal services shall be available to pay any increased cost resulting from the allocation or reallocation hereafter of a position to a higher grade, or resulting from the creation of a new position, if such increased cost would result in an increase in the total obligations on an annual basis under such appropriation or

fund: *Provided*, That this prohibition shall not apply to the initial creation of positions to carry out new programs or functions for which specific appropriations are made available.】

(85) 【SEC. 607. (a) It is hereby declared to be the sense of the Congress that in the interest of economy and efficiency the heads of departments, and of independent establishments or agencies, in the executive branch, including Government-owned or controlled corporations, shall terminate the employment of such of the employees thereof as are not required for the proper and efficient performance of the functions of their respective departments, establishments, and agencies.

【(b) The heads of departments, and of independent establishments or agencies in the executive branch, including Government-owned or controlled corporations, shall present to the Director of the Bureau of the Budget such information as the Director shall from time to time, but at least quarterly, require for the purpose of determining the numbers of full-time civilian employees (including full-time intermittent employees who are paid on a "when actually employed" basis, and full-time employees paid nominal compensation, such as \$1 a year or \$1 a month) and the man-months of part-time civilian employment (including part-time employment by intermittent employees who are paid on a "when actually employed" basis, and part-time employment by employees paid nominal compensation such as \$1 a year or \$1 a month) required within the United States for the proper and efficient performance of the authorized functions of their respective departments, establishments, and agencies. The Director shall, within sixty days after the date of enactment of this Act and from time to time, but at least quarterly, thereafter, determine the numbers of full-time employees and man-months of part-time employment, which in his opinion are required for such purpose, and any personnel or employment in such department, establishment, or agency in excess thereof shall be released or terminated at such times as the Director shall order. Such determinations, and any numbers of employees or man-months of employment paid in violation of the orders of the Director, shall be reported quarterly to the Congress. Each such report shall include a statement showing for each department, independent establishment, and agency the net increase or decrease in such employees and employment as compared with the corresponding data contained in the next preceding report, together with any suggestions the Director may have for legislation which would bring about economy and efficiency in the use of Government personnel. As used in this subsection the term "United States" shall include the Territories and possessions.

【(c) Determinations by the Director of numbers of employees and man-months of employment required shall be by such appropriation units or organization units as he may deem appropriate.

【(d) The Director shall maintain a continuous study of all appropriations and contract authorizations in relation to personnel employed and shall, under such policies as the President may prescribe, reserve from expenditure any savings in salaries, wages, or other categories of expense which he determines to be possible as a result of reduced personnel requirements. Such reserves may be released by the Director for expenditure only upon a satisfactory showing of necessity.

【(e) Casual employees, as defined by the Civil Service Commission, and employees hired without compensation may be excluded from the determinations and reports required by this section.

【(f) Until the cessation of hostilities in the present war as proclaimed by the President, the provisions of this section shall not be applicable to individuals employed or paid by or through the War Shipping Administration (A) who are outside the United States, (B) to whom the provisions of section 1 (a) of the Act of March 24, 1943 (Public Law Numbered 17, Seventy-eighth Congress), are applicable, (C) who are undergoing a course of training under the United States Maritime Service or who have completed such training and are awaiting assignment to ships, or (D) who are on stand-by wages awaiting assignment to ships. As used in this subsection the term "United States" means the several States and the District of Columbia.

【(g) (1) In carrying out the provisions of subsection (b) of this section—

【(A) with respect to the departments (other than the Department of the Army and the Department of the Navy), establishments, and agencies (including Government-owned or controlled corporations) in the executive branch, the Director shall so determine the numbers of full-time civilian employees and the man-months of part-time employment on the basis of the relative needs of such departments, establishments, and agencies for personnel, that the aggregate number of such civilian employees (including the full-time equivalent of man-months of part-time employment) shall not

exceed (i) five hundred and twenty-eight thousand nine hundred and seventy-five for the quarter beginning October 1, 1946; (ii) five hundred and one thousand seven hundred and seventy-one for the quarter beginning January 1, 1947; (iii) four hundred and seventy-four thousand five hundred and sixty-seven for the quarter beginning April 1, 1947; and (iv) four hundred and forty-seven thousand three hundred and sixty-three after June 30, 1947;

[(B) with respect to the Department of the Army and the Department of the Navy, the Director shall so determine the numbers of civilian employees (including the full-time equivalent of man-months of part-time employment) that at the earliest date practicable, but in no event later than July 1, 1947, the number shall not exceed one hundred and seventy-six thousand with respect to the Department of the Army, or one hundred thousand with respect to the Department of the Navy.]

The numbers of employees specified in this paragraph shall be regarded as maximum numbers, and nothing herein shall be construed to limit the authority of the Director to establish lower aggregate numbers whenever, in his opinion, the numbers so specified are in excess of those necessary for the proper and efficient exercise of the authorized functions of the departments, establishments, and agencies to which this subsection applies. The procedural provisions of subsection (b) of this section shall be applicable with respect to determinations under this paragraph.

[(2) No provision of law enacted authorizing the employment of personnel by, or appropriating funds for the compensation of personnel of, or conferring additional functions upon, any department, establishment, or agency, shall be construed to authorize the employment of, or payment of compensation to, a greater number of employees subject to this subsection than the number so determined by the Director with respect to such department, establishment, or agency unless such provision of law specifically authorizes the employment or payment of salaries of personnel in excess of such number, or exempts such department, establishment, or agency from the provisions of this subsection, and any such employment or payment not so authorized shall be deemed to be a violation of the provisions of section 3679 of the Revised Statutes of the United States (U. S. C., 1940 edition, title 31, sec. 665).]

[(3) The provisions of this subsection shall not apply with respect to employees whose basic compensation is fixed and adjusted from time to time in accordance with prevailing rates by wage boards or similar administrative authority serving the same purpose. The provisions of subparagraph (A) of paragraph (1) shall not apply with respect to officers and employees in the field service of the Post Office Department or to officers and employees of the Veterans' Administration, but shall apply with respect to officers and employees outside the United States whose compensation is fixed in accordance with the Classification Act of 1923, as amended, and who are not excluded from the provisions of this section by the provisions of subsection (f). The provisions of subparagraph (B) of paragraph (1) shall not apply with respect to officers and employees outside the several States and the District of Columbia.]

(86) SEC. 3. That it shall be the duty of the heads of the several Executive Departments, and of other officers authorized or required to make estimates, to furnish to the Secretary of the Treasury, on or before the first day of October of each year, their annual estimates for the public service, to be included in the Book of Estimates prepared by law under his direction [; and the Secretary of the Treasury shall submit, as a part of the appendix to the Book of Estimates, such extracts from the annual reports of the several heads of Departments and Bureaus as relate to estimates for appropriations, and the necessities therefor].

(87) That there are authorized to be appropriated annually such sums as may be necessary to enable the President, in his discretion and under such regulations as he may prescribe and notwithstanding the provisions of any other Act and upon recommendation of the Director of the Budget, to meet losses sustained on and after July 1, 1933, by officers, enlisted men, and employees of the United States while in service in foreign countries due to the appreciation of foreign currencies in their relation to the American dollar, and to cover any deficiency in the accounts of the Treasurer of the United States, including interest, arising out of the arrangement approved by the President on July 27, 1933, for the conversion into foreign currencies of checks and drafts of officers, enlisted men, and employees for salaries and expenses: *Provided*, That such action as the President may take shall be binding upon all executive officers of the Government: *Provided further*, That no payments authorized by this Act shall be made to any officers, enlisted men, or employees for periods during which their checks or drafts were

converted into foreign currencies under the arrangement hereinbefore referred to: *Provided further*, That allowances and expenditures pursuant to this Act shall not be subject to income taxes: *And provided further*, That the Director of the Budget shall report all expenditures made for this purpose to Congress annually [with the Budget estimates].

(88) Foreign trade and treaty relations: For defraying the necessary expenses incurred in connection with foreign trade relations which come within the jurisdiction of the Department of State, under tariff legislation and otherwise, and in the negotiation and preparation of treaties, arrangements, and agreements for the advancement of commercial and other interests of the United States, and for the maintenance of a division of far eastern affairs in the Department of State, including the payment of necessary employees, at the seat of government or elsewhere, to be selected, and their compensation fixed, by the Secretary of State and to be expended under his direction, fiscal year nineteen hundred and ten, one hundred thousand dollars. A detailed statement showing expenditures, including salaries or rates of compensation paid, under this appropriation shall be reported to Congress by the Secretary of State on the first day of each regular session; and estimates for further appropriations hereunder shall include in detail salaries for all persons to be employed and paid in the Department of State at Washington, District of Columbia].

(89)

DEPARTMENT OF AGRICULTURE

* * * * *

WORKING CAPITAL FUND

For the establishment of a working capital fund, \$400,000, without fiscal year limitation, for the payment of salaries and other expenses necessary to the maintenance and operation of (1) central duplicating, photographic, and tabulating services, (2) a central motor-transport service for the maintenance, repair, and operation of motor-transport vehicles and other equipment, (3) a central supply service for the purchase, storage, handling, issuance, packing, or shipping of stationery, supplies, equipment, blank forms, and miscellaneous materials, for which stocks thereof, not to exceed \$200,000 in value (except for the value of blank forms) at the close of any fiscal year, may be maintained sufficient to meet, in whole or in part, requirements of the bureaus and offices of the Department in the city of Washington and elsewhere, and (4) such other services as the Secretary, with the approval of the Director of the Bureau of the Budget, determines may be performed more advantageously as central services; said fund to be reimbursed from applicable funds of bureaus, offices, and agencies for which services are performed on the basis of rates which shall include estimated or actual charges for personal services, materials, equipment (including maintenance, repairs, and depreciation) and other expenses: *Provided*, That such central services shall, to the fullest extent practicable, be used to make unnecessary the maintenance of separate like services in the bureaus, offices, and agencies of the department [; *Provided further*, That a separate schedule of expenditures and reimbursements, and a statement of the current assets and liabilities of the working capital fund as of the close of the last completed fiscal year, shall be included in the annual Budget].

(90) The Civil Service Commission shall submit [annually to the Bureau of the Budget] estimates of the appropriations necessary to finance the retirement and disability fund and to continue this Act in full force and effect.

(91) [SEC. 31. That the commission shall submit annually to the Secretary of the Treasury estimates of the appropriations necessary for the work of the commission.]

(92) SEC. 35. That there is hereby authorized to be appropriated, from any money in the Treasury not otherwise appropriated, the sum of \$500,000, to be set aside as a separate fund in the Treasury, to be known as the employees' compensation fund. To this fund there shall be added such sums as Congress may from time to time appropriate for the purpose. Such fund, including all additions that may be made to it, is hereby authorized to be permanently appropriated for the payment of the compensation provided by this Act, including the medical, surgical, and hospital services and supplies provided by section nine, and the transportation and burial expenses provided by sections nine and eleven. [The commission shall submit annually to the Secretary of the Treasury estimates of the appropriations necessary for the maintenance of the fund.]

(93) [and the Signal Corps of the Army shall remain a part of the Military Establishment under the direction of the Secretary of War, and all estimates for its support shall be included with other estimates for the support of the Military Establishment].

(94) SEC. 4. The net proceeds of the sale of the surplus War Department real property hereinbefore designated, and the net proceeds of the sale of surplus War Department real property, including net proceeds derived from the sale of surplus buildings heretofore authorized and not heretofore covered into the Treasury, shall be deposited in the Treasury to the credit of a fund to be known as the Military Post Construction Fund, to be and remain available until expended for permanent construction at military posts in such amounts as may be authorized by law from time to time by the Congress: *Provided*, That where the lands sold were originally reserved from the public domain for military or other public purposes of the United States, before the deposit of the net proceeds of the sale, into the Treasury there shall be deducted from the net proceeds of the sale, and paid to the State in which the land is situated in each case the 5 per centum as provided by the Act of March 3, 1845 (Fifth Statutes, page 788), and similar Acts, of the net proceeds of the sale of all such lands as were reserved subsequently to the passage of such Act or Acts, but excepting and excluding, however, from such deduction the appraised value of any buildings or improvements that may have been constructed by the United States upon the said lands: *And provided further*, That estimates of the moneys to be expended from the said Military Post Construction Fund, including a statement of the specific construction projects embraced in such estimates, shall be submitted annually to Congress in the Budget].

(95) [and the Secretary of the Interior is directed to submit, for the fiscal year nineteen hundred and nineteen and annually thereafter, estimates of the amounts required for the care, maintenance, and development of the said parks].

(96) The Director of National Park Service shall provide for the care and maintenance of the national military cemeteries [and for this purpose shall submit an estimate with his annual estimates to the Bureau of the Budget].

(97) [The aggregate of all estimates of appropriations from the "reclamation fund" contained in the Budget for any fiscal year shall be included in the totals of the Budget for that year.]

(98) [The estimates for the support of the navy shall hereafter show, under the head of Pay of the Navy, the sums allowed for pay of officers belonging to the line, to the several departments of the staff, and to the retired list; the estimates to show under each head the amount allowed for pay proper, for increases due to longevity and foreign service, and for pay at sea rates to officers employed on shore; together with the total number of warrant and petty officers and seamen of the several grades and designations, including as to each class the amount allowed for pay proper and for longevity or service increases. The estimates shall include a list giving the rates of pay for all petty officers and other enlisted men of the navy.]

(99) [The Postmaster-General shall for the fiscal year eighteen hundred and ninety-eight, and annually thereafter, submit in the annual estimates to Congress estimates in detail for all expenses of the money-order branch of the postal service.]

(100) * * * [Provided further, That it shall be the duty of the managers of said Home, on or before the first day of October, in each year, to furnish to the Secretary of War estimates, in detail, for the support of said Home for the fiscal year commencing on the first day of July thereafter, and the Secretary of War shall annually include such estimates in his estimates for his Department.]

(101) [SEC. 119. ANNUAL ESTIMATES REQUIRED.—The Secretary of War shall cause to be estimated annually the amount necessary for carrying out the provisions of so much of this Act as relates to the militia, and no money shall be expended under said provisions except as shall from time to time be appropriated for carrying them out.]

(102) Hereafter such amount may be expended annually for pay of drafting, technical, and inspection force from the several lump sum appropriations in which specific authority for such expenditure is given, as the Secretary of the Navy may deem necessary within the limitation of appropriation provided for such service in said lump sum appropriations at such rates of compensation as the Secretary of the Navy may prescribe; and the Secretary of the Navy shall each year, in the annual estimates, report to Congress the number of persons so employed, their duties, and the amount paid to each].

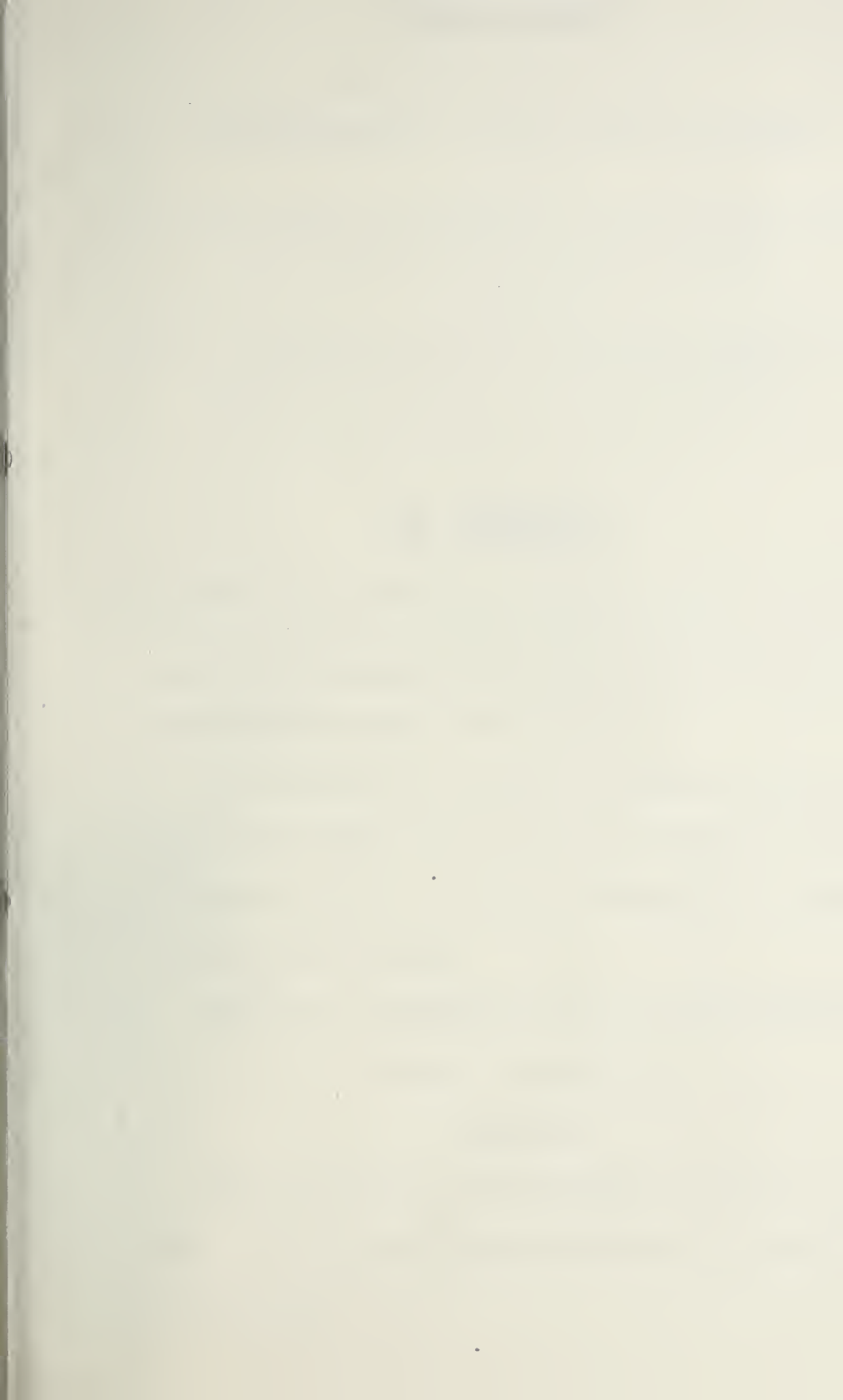
(103) Salaries, force employed on work of the Postal Savings System in the office of the Treasurer of the United States (reimbursable): The Secretary of the Treasury may employ such number of clerks and employees of the several classes and at the several rates of compensation recognized by law, and expend such sums for contingent and miscellaneous items, as may be necessary, in his judgment, to transact the business of the Postal Savings System in the office of the Treasurer of the United States: *Provided*, That the money required to pay such clerks and employees, and contingent and miscellaneous items, not exceeding \$18,000 for the fiscal year nineteen hundred and thirteen, shall be advanced to the Secretary of the Treasury at regular intervals out of any available appropriation for the establishment, maintenance, and extension of postal savings depositories **[:***Provided further*, That estimates hereunder shall be submitted in detail for the fiscal year nineteen hundred and fourteen, and annually thereafter**]**.

(104) **[SEC. 27.** He shall prepare and submit to the Secretary of the Treasury, annually, in time to have the same embraced in the estimates from that Department, detailed estimates of the sums which will be required for salaries, wages, printing, engraving, lithographing, binding, materials, and other necessary expenses of said Printing Office for the ensuing fiscal year.**]**

(105) **[**The Public Printer shall submit for the fiscal year nineteen hundred and ten, and annually thereafter, estimates for all clerks and other employees additional to the foregoing who may be required in the executive or administrative offices of the Government Printing Office; and no funds other than those specifically appropriated under said estimates shall be used during said fiscal year for services in the Government Printing Office of the character specified in said estimates and appropriated for thereunder.**]**

(106) **[**and hereafter it shall be the duty of the secretary of each Territory to furnish estimates in detail for the lawful expenses thereof, to be presented to the Secretary of the Treasury on or before the first day of October of every year.**]**





81ST CONGRESS
2^D SESSION

H. R. 9038

[Report No. 2556]

IN THE HOUSE OF REPRESENTATIVES

JULY 5, 1950

Mr. KARSTEN introduced the following bill; which was referred to the Committee on Expenditures in the Executive Departments

JULY 13, 1950

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in *italic*]

A BILL

To authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Budget and Accounting
4 Procedures Act of 1950".

5 TITLE I—BUDGETING AND ACCOUNTING

6 PART I—BUDGETING

7 DEFINITION

8 SEC. 101. Section 2 of the Budget and Accounting Act,
9 1921 (42 Stat. 20), is amended by adding at the end thereof
10 the following:

1 “The term ‘appropriations’ includes, in appropriate con-
2 text, funds and authorizations to create obligations by con-
3 tract in advance of appropriations.”

4 PERFORMANCE BUDGET AND REGULATIONS

5 SEC. 102. (a) Section 201 of such Act is amended
6 to read as follows:

7 “SEC. 201. The President shall transmit to Congress
8 during the first fifteen days of each regular session, the
9 Budget, which shall set forth his Budget message, summary
10 data and text, and supporting detail. The Budget shall
11 set forth in such form and detail as the President may
12 determine—

13 “(a) functions and activities of the Government,
14 constituting a performance budget;

15 “(b) a segregation of operating, and of capital and
16 investment programs;

17 “(c) any other desirable classifications of data;

18 “(d) a reconciliation of the summary data on ex-
19 penditures with proposed appropriations;

20 “(e) estimated expenditures and proposed appro-
21 priations necessary in his judgment for the support of
22 the Government for the ensuing fiscal year, except that
23 estimated expenditures and proposed appropriations for
24 such year for the legislative branch of the Government

1 and the Supreme Court of the United States shall be
2 transmitted to the President on or before October 15 of
3 each year, and shall be included by him in the Budget
4 without revision;

5 “(f) estimated receipts of the Government during
6 the ensuing fiscal year, under (1) laws existing at the
7 time the Budget is transmitted and also (2) under the
8 revenue proposals, if any, contained in the Budget;

9 “(g) actual appropriations, expenditures, and re-
10 cepts of the Government during the last completed fiscal
11 year;

12 “(h) estimated expenditures and receipts, and
13 actual or proposed appropriations of the Government
14 during the fiscal year in progress;

15 “(i) balanced statements of (1) the condition of
16 the Treasury at the end of the last completed fiscal
17 year, (2) the estimated condition of the Treasury at the
18 end of the fiscal year in progress, and (3) the estimated
19 condition of the Treasury at the end of the ensuing fiscal
20 year if the financial proposals contained in the Budget
21 are adopted;

22 “(j) all essential facts regarding the bonded and
23 other indebtedness of the Government; and

24 “(k) such other financial statements and data as

1 in his opinion are necessary or desirable in order to
2 make known in all practicable detail the financial con-
3 dition of the Government.”

4 (b) Section 203 of such Act is amended to read as
5 follows:

6 “SEC. 203. (a) The President from time to time may
7 transmit to Congress such proposed supplemental or defi-
8 ciency appropriations as in his judgment (1) are necessary
9 on account of laws enacted after the transmission of the
10 Budget, or (2) are otherwise in the public interest. He
11 shall accompany such proposals with a statement of the
12 reasons therefor, including the reasons for their omission
13 from the Budget.

14 “(b) Whenever such proposed supplemental or de-
15 ficiency appropriations reach an aggregate which, if they
16 had been contained in the Budget, would have required the
17 President to make a recommendation under subsection (a)
18 of section 202, he shall thereupon make such recommenda-
19 tion.”

20 (c) Section 204 of such Act is amended to read as
21 follows:

22 “SEC. 204. Except as otherwise provided in this Act,
23 the contents, order, and arrangement of the proposed
24 appropriations and the statements of expenditures and esti-
25 mated expenditures contained in the Budget or transmitted

1 under section 203, and the notes and other data submitted
2 therewith, shall conform to requirements prescribed by the
3 President.”

4 (d) Section 205 of such Act is amended to read as
5 follows:

6 “SEC. 205. Whenever any basic change is made in the
7 form of the Budget, the President, in addition to the Budget,
8 shall transmit to Congress such explanatory notes and tables
9 as may be necessary to show where the various items
10 embraced in the Budget of the prior year are contained in
11 the new Budget.”

12 (e) The last sentence of section 207 of such Act is
13 amended to read as follows: “The Bureau, under such rules
14 and regulations as the President may prescribe, shall prepare
15 the Budget, and any proposed supplemental or deficiency
16 appropriations, and to this end shall have authority to
17 assemble, correlate, revise, reduce, or increase the requests
18 for appropriations of the several departments or establish-
19 ments.”

20 (f) Section 214 of such Act is amended to read as
21 follows:

22 “SEC. 214. The head of each department and establish-
23 ment shall prepare or cause to be prepared in each year
24 his requests for regular, supplemental, or deficiency
25 appropriations.”

1 (g) Section 215 of such Act is amended to read as
2 follows:

3 "SEC. 215. The head of each department and establish-
4 ment shall submit his requests for appropriations to the
5 Bureau on or before a date which the President shall deter-
6 mine. In case of his failure to do so, the President shall
7 cause such requests to be prepared as are necessary to enable
8 him to include such requests with the Budget in respect to
9 the work of such department or establishment."

10 (h) Section 216 of such Act is amended to read as
11 follows:

12 "SEC. 216. Requests for regular, supplemental, or defi-
13 ciency appropriations which are submitted to the Bureau by
14 the head of any department or establishment shall be pre-
15 pared and submitted as the President may determine in
16 accordance with the provisions of section 201."

17 TRANSITORY PROVISIONS

18 SEC. 103. In order to expedite the conversion from
19 present budgeting and accounting methods to the perform-
20 ance type of Budget contemplated in the amendments made
21 by this part, the head of each department and establishment
22 in the executive branch of the Government, with the ap-
23 proval of the President, is authorized and directed, until the
24 end of the second full fiscal year following the date of the
25 enactment of this Act, to make such transfers and adjust-

1 ments within his department or establishment between ap-
2 propriations available for obligation by such department or
3 establishment in such manner as he deems necessary to
4 cause the obligation and administration of funds and the
5 reports of expenditures to reflect the financial requirements
6 of the functions and activities of the department or estab-
7 lishment. Reports of transfers and adjustments made pur-
8 suant to the authority of this section shall be made currently
9 to the President and the Congress.

10 GOVERNMENT STATISTICAL ACTIVITIES

11 SEC. 404 103. The President, through the Director of the
12 Bureau of the Budget, is authorized and directed to develop
13 programs and to issue regulations and orders for the im-
14 proved gathering, compiling, analyzing, publishing, and dis-
15 seminating of statistical information for any purpose by the
16 various agencies in the executive branch of the Government.
17 Such regulations and orders shall be adhered to by such
18 agencies.

19 IMPROVED ADMINISTRATION OF EXECUTIVE AGENCIES

20 SEC. 405 104. The President, through the Director of the
21 Bureau of the Budget, is authorized and directed to evaluate
22 and develop improved plans for the organization, coordina-
23 tion, and management of the executive branch of the Govern-
24 ment with a view to efficient and economical service.

1 BUSINESS-TYPE BUDGETS

2 SEC. ~~106~~ 105. The first two sentences of section 102 of
 3 the Government Corporation Control Act of 1945 (59 Stat.
 4 597), are amended to read as follows: "Each wholly owned
 5 Government corporation shall cause to be prepared annually
 6 a business-type budget which shall be submitted to the
 7 Bureau of the Budget, under such rules and regulations as
 8 the President may establish as to the date of submission,
 9 the form and content, the classifications of data, and the
 10 manner in which such budget program shall be prepared
 11 and presented."

12 PART II—ACCOUNTING AND AUDITING

13 SHORT TITLE

14 SEC. 110. This part may be cited as the "Accounting
 15 and Auditing Act of 1950".

16 DECLARATION OF POLICY

17 SEC. 111. It is the policy of the Congress in enacting
 18 this part that—

19 (a) The accounting of the Government provide full
 20 disclosure of the results of financial operations, adequate
 21 financial information needed in the management of opera-
 22 tions and the formulation and execution of the Budget,
 23 and effective control over income, expenditures, funds,
 24 property, and other assets.

1 (b) Full consideration be given to the needs and
2 responsibilities of both the legislative and executive
3 branches in the establishment of accounting and report-
4 ing systems and requirements.

5 (c) The maintenance of accounting systems and
6 the producing of financial reports with respect to the
7 operations of executive agencies, including central facil-
8 ities for bringing together and disclosing information on
9 the results of the financial operations of the Government
10 as a whole, be the responsibility of the executive branch.

11 (d) The auditing for the Government, conducted
12 by the Comptroller General of the United States as an
13 agent of the Congress be directed at determining the
14 extent to which accounting and related financial report-
15 ing fulfill the purposes specified, financial transactions
16 have been consummated in accordance with laws, regu-
17 lations or other legal requirements, and adequate internal
18 financial control over operations is exercised, and afford
19 an effective basis for the settlement of accounts of
20 accountable officers.

21 (e) Emphasis be placed on effecting orderly im-
22 provements resulting in simplified and more effective
23 accounting, financial reporting, budgeting, and auditing

1 requirements and procedures and on the elimination of
2 those which involve duplication or which do not serve a
3 purpose commensurate with the costs involved.

4 (f) The Comptroller General of the United States,
5 the Secretary of the Treasury, and the Director of the
6 Bureau of the Budget conduct a continuous program for
7 the improvement of accounting and financial reporting
8 in the Government.

9 ACCOUNTING AND REPORTING PROVISIONS

10 SEC. 112. (a) The Comptroller General of the United
11 States, after consulting the Secretary of the Treasury and the
12 Director of the Bureau of the Budget concerning their ac-
13 counting, financial reporting, and budgetary needs, and con-
14 sidering the needs of the other executive agencies, shall pre-
15 scribe the principles, standards, and related requirements for
16 accounting to be observed by each executive agency, includ-
17 ing requirements for suitable integration between the account-
18 ing processes of each executive agency and the accounting
19 of the Treasury Department. Requirements prescribed by
20 the Comptroller General shall be designed to permit the
21 executive agencies to carry out their responsibilities under
22 section 113 of this part, while providing a basis for integrated
23 accounting for the Government, full disclosure of the results
24 of the financial operations of each executive agency and the
25 Government as a whole, and financial information and control

1 necessary to enable the Congress and the President to dis-
2 charge their respective responsibilities. The Comptroller
3 General shall continue to exercise the authority vested in
4 him by section 205 (b) of the Federal Property and Ad-
5 ministrative Services Act of 1949 (63 Stat. 389) and, to the
6 extent he deems necessary, the authority vested in him by
7 section 309 of the Budget and Accounting Act, 1921 (42
8 Stat. 25). Any such exercise of authority shall be consistent
9 with the provisions of this section.

10 (b) The General Accounting Office shall cooperate
11 with the executive agencies in the development of their
12 accounting systems, including the Treasury Department, in
13 the development and establishment of the system of central
14 accounting and reporting required by section 114 of this
15 part. Such accounting systems shall be approved by the
16 Comptroller General when deemed by him to be adequate
17 and in conformity with the principles, standards, and related
18 requirements prescribed by him.

19 (c) The General Accounting Office shall from time to
20 time review the accounting systems of the executive
21 agencies. The results of such reviews shall be available to
22 the heads of the executive agencies concerned, to the Secre-
23 tary of the Treasury, and to the Director of the Bureau of
24 the Budget, and the Comptroller General shall make such
25 reports thereon to the Congress as he deems proper.

1 SEC. 113. (a) The head of each executive agency
2 shall establish and maintain systems of accounting and in-
3 ternal control designed to provide—

4 (1) full disclosure of the financial results of the
5 agency's activities;

6 (2) adequate financial information needed for the
7 agency's management purposes;

8 (3) effective control over and accountability for
9 all funds, property, and other assets for which the
10 agency is responsible, including appropriate internal
11 audit;

12 (4) reliable accounting results to serve as the basis
13 for preparation and support of the agency's budget re-
14 quests, for controlling the execution of its budget, and
15 for providing financial information required by the
16 Bureau of the Budget under section 213 of the Budget
17 and Accounting Act, 1921 (42 Stat. 23) ;

18 (5) suitable integration of the accounting of the
19 agency with the accounting of the Treasury Depart-
20 ment in connection with the central accounting and
21 reporting responsibilities imposed on the Secretary of
22 the Treasury by section 114 of this part.

23 (b) The accounting systems of executive agencies shall
24 conform to the principles, standards, and related require-

1 ments prescribed by the Comptroller General pursuant to
2 section 112 (a) of this part.

3 SEC. 114. (a) The Secretary of the Treasury shall pre-
4 pare such reports for the information of the President, the
5 Congress, and the public as will present the results of the
6 financial operations of the Government: *Provided*, That there
7 shall be included such financial data as the Director of the
8 Bureau of the Budget may require in connection with the
9 preparation of the Budget or for other purposes of the
10 Bureau. Each executive agency shall furnish the Secretary
11 of the Treasury such reports and information relating to its
12 financial condition and operations as the Secretary, by rules
13 and regulations, may require for the effective performance
14 of his responsibilities under this section.

15 (b) The Secretary of the Treasury is authorized to
16 establish the facilities necessary to produce the financial re-
17 ports required by subsection (a) of this section. The
18 Secretary is further authorized to reorganize the accounting
19 functions and install, revise, or eliminate accounting pro-
20 cedures and financial reports of the Treasury Department in
21 order to develop effective and coordinated systems of ac-
22 counting and financial reporting in the several bureaus and
23 offices of the Department with such concentration of ac-
24 counting and reporting as is necessary to accomplish inte-

1 gration of accounting results for the activities of the Depart-
2 ment and provide the operating center for the consolidation
3 of accounting results of other executive agencies with those
4 of the Department. The authority vested in and the duties
5 imposed upon the Department by sections 10, 15, and 22 of
6 the Act entitled "An Act making appropriations for the
7 legislative, executive, and judicial branches of the Govern-
8 ment for the fiscal year ending June thirtieth, eighteen hun-
9 dred ninety-five, and for other purposes", approved July 31,
10 1894 (28 Stat. 162, 208-210), may be exercised and
11 performed by the Secretary of the Treasury as a part of his
12 broader authority and duties under this section and in such
13 a manner as to provide a unified system of central ac-
14 counting and reporting on the most efficient and useful basis.

15 (c) The system of central accounting and reporting
16 provided for herein shall be consistent with the principles,
17 standards, and related requirements prescribed by the Comp-
18 troller General pursuant to section 112 of this part.

19 SEC. 115. (a) When the Secretary of the Treasury
20 and the Comptroller General determine that existing pro-
21 cedures can be modified in the interest of simplification, im-
22 provement, or economy, with sufficient safeguards over the
23 control and accounting for the public funds, they may issue

1 joint regulations providing for the waiving, in whole or in
2 part, of the requirements of existing law that—

3 (1) warrants be issued and countersigned in con-
4 nection with the receipt, retention, and disbursement of
5 public moneys and trust funds; and

6 (2) funds be requisitioned, and advanced to ac-
7 countable officers under each separate appropriation
8 head or otherwise.

9 (b) Such regulations may further provide for the pay-
10 ment of vouchers by authorized disbursing officers by means
11 of checks issued against the general account of the Treasurer
12 of the United States: *Provided*, That in such case the regu-
13 lations shall provide for appropriate action in the event of
14 delinquency by disbursing officers in the rendition of their
15 accounts or for other reasons arising out of the condition of
16 the officers' accounts, including under necessary circum-
17 stances, the suspension or withdrawal of authority to
18 disburse.

19 SEC. 116. The Comptroller General is authorized to
20 discontinue the maintenance in the General Accounting Office
21 of appropriation, expenditure, limitation, receipt, and per-
22 sonal ledger accounts when in his opinion the accounting
23 systems and internal control of the executive, legislative,

1 and judicial agencies are sufficient to enable him to perform
2 properly the functions to which such accounts relate.

3 AUDITING PROVISIONS

4 SEC. 117. (a) Except as otherwise specifically pro-
5 vided by law, the financial transactions of each executive,
6 legislative, and judicial agency, including but not limited to
7 the accounts of accountable officers, shall be audited by the
8 General Accounting Office in accordance with such prin-
9 ciples and procedures and under such rules and regulations as
10 may be prescribed by the Comptroller General of the United
11 States. In the determination of auditing procedures to be
12 followed and the extent of examination of vouchers and other
13 documents, the Comptroller General shall give due regard
14 to generally accepted principles of auditing, including con-
15 sideration of the effectiveness of accounting organizations
16 and systems, internal audit and control, and related adminis-
17 trative practices of the respective agencies.

(b) Whenever the Comptroller General determines that the audit shall be conducted at the place or places where the accounts and other records of an executive agency are normally kept, he may require any executive agency to retain in whole or in part accounts of accountable officers, contracts, vouchers, and other documents, which are required under existing law to be submitted to the General Accounting Office, under such conditions and for such period not exceed-

ing ten years as he may specify, unless a longer period is agreed upon with the executive agency: *Provided*, That under agreements between the Comptroller General and legislative and judicial agencies the provisions of this sentence may be extended to the accounts and records of such agencies.

GENERAL PROVISIONS

SEC. 118. As used in this part, the term "executive agency" means any executive department or independent establishment in the executive branch of the Government but (a) except for the purposes of sections 114, 116, and 119 shall not include any Government corporation or agency subject to the Government Corporation Control Act (59 Stat. 597), and (b) except for the purposes of sections 111, 114, and 116 shall not include the Post Office Department.

SEC. 119. The head of each executive agency is authorized to designate the place or places, at the seat of government or elsewhere, at which the administrative examination of fiscal officers' accounts will be performed, and with the concurrence of the Comptroller General to waive the administrative examination in whole or in part: *Provided*, That the same authority is hereby conferred upon the officers responsible for the administrative examination of accounts for legislative and judicial agencies.

1 TITLE II—APPROPRIATIONS

2 TRANSFERS BETWEEN APPROPRIATIONS

3 SEC. 201. After the end of the second full fiscal year
4 following the date of enactment of this Act, with the ap-
5 proval of the President, the head of each department and
6 establishment in the executive branch of the Govern-
7 ment is authorized to make transfers and adjustments
8 between appropriations within his department or estab-
9 lishment in order to promote economy and efficiency,
10 but no appropriation shall be increased or decreased thereby
11 during any fiscal year by more than 5 per centum. Reports
12 of such transfers and adjustments with the reasons therefor
13 shall be made currently to the President and the Congress
14 and shall be summarized annually in the Budget.

15 AUTHORIZATIONS FOR APPROPRIATIONS

16 SEC. ~~202~~ 201. No requests for legislation, which, if en-
17 acted, would authorize subsequent appropriations for a de-
18 partment or establishment in the executive branch of the
19 Government, shall be transmitted to the Bureau of the
20 Budget, to the President, or to the Congress by such depart-
21 ment or establishment, or by any organizational unit thereof,
22 without the prior approval of the head of such department or
23 establishment.

REDUCTIONS IN APPROPRIATIONS

SEC. 203. To promote economy and to reduce expenditures, the President is authorized to establish and to modify from time to time reserves from appropriations for the executive branch of the Government to the extent that he determines that the purposes intended by the Congress will be accomplished by the expenditure of amounts less than the amounts appropriated.

ADJUSTMENT OF APPROPRIATIONS FOR REORGANIZATION

SEC. 204 202. (a) When under authority of law a function or an activity is transferred or assigned from one agency within any department or establishment to another agency in the same department or establishment, the balance of appropriations which are determined by the head of such department or establishment to be available and necessary to finance or discharge the function or activity so transferred or assigned may, with the approval of the President, be transferred to, and be available for use by, the agency to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby

1 authorized to be established, and shall be merged with
2 funds in the applicable existing or newly established appro-
3 priation account or accounts and thereafter accounted for as
4 one fund.

5 (b) When under authority of law a function or activity
6 is transferred or assigned from one department or establish-
7 ment to another department or establishment, the balance of
8 appropriations which are determined by the President to be
9 available and necessary to finance or discharge the function
10 or activity so transferred or assigned, shall be transferred to
11 and be available for use by the department or establishment
12 to which said function or activity is transferred or assigned
13 for any purpose for which said funds were originally avail-
14 able. Balances so transferred shall be credited to any
15 applicable existing appropriation account or accounts, or
16 to any new appropriation account or accounts, which are
17 hereby authorized to be established, and shall be merged
18 with funds in the applicable existing or newly established
19 appropriation account or accounts and thereafter accounted
20 for as one fund.

21 TITLE III—REPEALS AND SAVING PROVISIONS

22 REPEALS

23 SEC. 301. The following Acts and parts of Acts are
24 hereby repealed:

1 (1) Section 10 of the Act of August 1, 1914 (38
2 Stat. 680; U. S. C., title 31, sec. 582).

3 (2) So much of section 4 of the Act of June 20, 1874
4 (18 Stat. 109; U. S. C., title 31, sec. 583 (1)), as reads:
5 “; and hereafter the Secretary of the Treasury shall annually
6 submit to Congress detailed estimates of appropriations re-
7 quired for said expenses;”.

8 (3) The last proviso in the first paragraph under the
9 heading “Judgments; United States Courts” of the Act of
10 April 27, 1904 (33 Stat. 422; U. S. C., title 31, sec.
11 583 (2)).

12 (4) The last sentence of section 5 of the Act of August
13 5, 1882 (22 Stat. 256; U. S. C., title 31, sec. 583 (3)).

14 (5) So much of the matter appearing under the heading
15 “Mints and Assay Offices” of the Act of March 4, 1911 (36
16 Stat. 1292; U. S. C., title 31, sec. 583 (4)), as reads:
17 “, and the Secretary of the Treasury shall, for the fiscal year
18 nineteen hundred and thirteen, and annually thereafter, sub-
19 mit to Congress, in the regular book of estimates, detailed
20 estimates for the expenses of this Service”.

21 (6) So much of the matter appearing under the heading
22 “Treasury Department” in the Act of August 26, 1912 (37
23 Stat. 596; U. S. C., title 31, sec. 583 (5)), as reads:

1 *“Provided further, That estimates hereunder shall be sub-*
2 *mitted in detail for the fiscal year 1914, and annually*
3 *thereafter”.*

4 (7) The last sentence of the paragraph under the head-
5 ing “Federal Farm Loan Board” of the Act of September
6 8, 1916 (U. S. C., title 31, sec. 583 (7)), appearing on
7 page 803 of volume 39 of the Statutes at Large; and the
8 third and last paragraph under the heading “Federal Farm
9 Loan Bureau” of the Act of March 3, 1917 (U. S. C., title
10 31, sec. 583 (7)), appearing on page 1084 of volume 39
11 of the Statutes at Large.

12 (8) The last sentence on page 48 of volume 30 of the
13 Statutes at Large, in the Act of June 4, 1897 (U. S. C.,
14 title 31, sec. 583 (8)).

15 (9) The first sentence of section 6 of the Act of March
16 3, 1919 (40 Stat. 1309; U. S. C., title 31, sec. 583 (10)).

17 (10) The last proviso under the heading “Office of the
18 Chief Signal Officer” of the Act of March 2, 1907 (34 Stat.
19 1159; U. S. C., title 31, sec. 583 (11)).

20 (11) The sixth full paragraph appearing on page 648
21 of volume 29 of the Statutes at Large in the Act of March 3,
22 1897 (U. S. C., title 31, sec. 583 (13)).

23 (12) So much of the matter following the heading
24 “Bureau of Mines” in the Act of March 3, 1915 (38 Stat.

1 858; U. S. C., title 31, sec. 583 (14)) as reads: “, estimates
2 shall be submitted specifically for all personal services re-
3 quired permanently and entirely in the Bureau of Mines at
4 Washington, District of Columbia, and previously paid from
5 lump-sum or general appropriations;”.

6 (13) The proviso at the end of the fourth paragraph
7 on page 312 of volume 37 of the Statutes at Large, in the
8 Act of August 17, 1912 (U. S. C., title 31, sec. 583 (15)).

9 (14) The third paragraph appearing on page 1082 of
10 volume 32 of the Statutes at Large, in the Act of March 3,
11 1903 (U. S. C., title 31, sec. 583 (16)).

12 (15) So much of section 12 of the Act of June 26,
13 1906 (34 Stat. 480; U. S. C., title 31, sec. 583 (18)),
14 as reads: “and he shall annually submit to Congress esti-
15 mates to cover the cost of the establishment and maintenance
16 of fish hatcheries in Alaska, the salaries and actual traveling
17 expenses of such officials, and for such other expenditures as
18 may be necessary to carry out the provisions of this Act”.

19 (16) The proviso at the end of the first full paragraph
20 on page 456 of volume 32 of the Statutes at Large, in the
21 Act of June 28, 1902 (U. S. C., title 31, sec. 583 (20)).

22 (17) The second full paragraph on page 841 of volume
23 38 of the Statutes at Large, in the Act of March 3, 1915
24 (U. S. C., title 31, sec. 583 (21)).

1 (18) The fourth full paragraph on page 2 of volume 38
2 of the Statutes at Large, in the Act of May 1, 1913
3 (U. S. C., title 31, sec. 583 (22)).

4 (19) The proviso at the end of the second paragraph
5 under the heading "Bureau of Immigration and Naturaliza-
6 tion" of the Act of March 4, 1907 (34 Stat. 1329, 1330;
7 U. S. C., title 31, sec. 583 (23)).

8 (20) The second full paragraph on page 374 of volume
9 35 of the Statutes at Large, in the Act of May 27, 1908
10 (U. S. C., title 31, sec. 583 (25)).

11 (21) So much of the last paragraph on page 396 of
12 volume 37 of the Statutes at Large, in the Act of August
13 23, 1912 (U. S. C., title 31, sec. 583 (26)), as reads:
14 "For the fiscal year nineteen hundred and fourteen and
15 annually thereafter estimates in detail shall be submitted for
16 all personal services required in the Indian Office,".

17 (22) The proviso at the end of the first full paragraph
18 on page 646 of volume 41 of the Statutes at Large, in the
19 Act of May 29, 1920 (U. S. C., title 31, sec. 584) .

20 (23) Section 3660 of the Revised Statutes (U. S. C.,
21 title 31, sec. 585) .

22 (24) Section 4 of the Act of June 22, 1906 (34 Stat.
23 448; U. S. C., title 31, sec. 586) .

24 (25) Section 4 of the Act of March 4, 1909 (35 Stat.
25 907; U. S. C., title 31, sec. 587) .

1 (26) Section 2 of the Act of June 30, 1906 (34 Stat.
2 762; U. S. C., title 31, sec. 588) ; and the proviso in the
3 first paragraph on page 1367 of volume 34 of the Statutes
4 at Large, in the Act of March 4, 1907 (U. S. C., title 31,
5 sec. 588) .

6 (27) Section 3661, as amended, of the Revised Statutes
7 (U. S. C., title 31, sec. 589) .

8 (28) So much of the first paragraph on page 255 of
9 volume 24 of the Statutes at Large, in the Act of August
10 4, 1886 (U. S. C., title 31, sec. 590), as reads: “: *Pro-*
11 *vided further*, That all printing and engraving for the Geo-
12 logical Survey, the Coast and Geodetic Survey, the Hydro-
13 graphic Office of the Navy Department, and the Signal
14 Service shall hereafter be estimated for separately and in
15 detail, and appropriated for separately for each of said
16 bureaus” .

17 (29) Section 3662 of the Revised Statutes (U. S. C.,
18 title 31, sec. 591) .

19 (30) Section 3663 of the Revised Statutes, as amended
20 (U. S. C., title 31, sec. 594) .

21 (31) Section 3664 of the Revised Statutes (U. S. C.,
22 title 31, sec. 597) .

23 (32) Section 3665 of the Revised Statutes (U. S. C.,
24 title 31, sec. 598) .

25 (33) The second paragraph under the heading “Rev-

1 enue-Cutter Service" in the Act of March 2, 1889 (25
2 Stat. 907; U. S. C., title 31, sec. 600).

3 (34) So much of the second full paragraph on page
4 512 of volume 24 of the Statutes at Large, in the Act of
5 March 3, 1887 (U. S. C., title 31, sec. 601), as reads:
6 "That the Secretary of the Treasury shall for the fiscal year
7 eighteen hundred and eighty-seven, and for each fiscal year
8 thereafter in the annual estimates, report to Congress the
9 number of persons employed outside of the District of Co-
10 lumbia, as superintendents, clerks, watchmen and otherwise,
11 and paid from appropriations for the construction of public
12 buildings showing where said persons are employed, in what
13 capacity, the length of time and at what rate of compensa-
14 tion,".

15 (35) So much of the sixth full paragraph on page 374
16 of volume 26 of the Statutes at Large, in the Act of August
17 30, 1890 (U. S. C., title 31, sec. 601) as reads: "; and
18 hereafter the Secretary of the Treasury shall annually re-
19 port to Congress in the book of estimates a statement of
20 the expenditure of the appropriation for 'repairs and preser-
21 vation of public buildings' which shall show the amount
22 expended on each public building and the number of per-
23 sons employed and paid salaries from such appropriation".

24 (36) So much of section 1317 of the Revenue Act of
25 1921 (42 Stat. 314; U. S. C., title 31, sec. 602) as reads:

1 “; and the Secretary of the Treasury shall submit for the
2 fiscal year 1921, and annually thereafter, an estimate of
3 appropriations to refund and pay back duties or taxes
4 erroneously or illegally assessed or collected under the In-
5 ternal Revenue laws, and to pay judgments, including in-
6 terest and costs, rendered for taxes or penalties erroneously
7 or illegally assessed or collected under the internal revenue
8 laws”.

9 (37) The first paragraph on page 133 of volume
10 22 of the Statutes at Large, in the Act of July 1, 1882
11 (U. S. C., title 31, sec. 603).

12 (38) The eighth paragraph under the heading “For-
13 eign Intercourse” of the Act of May 3, 1905 (33 Stat.
14 1214; U. S. C., title 31, sec. 603).

15 (39) The last paragraph on page 48 of volume 30
16 of the Statutes at Large, in the Act of June 4, 1897
17 (U. S. C., title 31, sec. 604).

18 (40) The eighth paragraph under the heading “Under
19 the Engineer Department” of the Act of February 13, 1913
20 (37 Stat. 671; U. S. C., title 31, sec. 605).

21 (41) The sixth paragraph under the heading “Fortifi-
22 cations in Insular Possessions” of the Act of March 3, 1905
23 (33 Stat. 847; U. S. C., title 31, sec. 606).

24 (42) So much of the first section of the Act of Au-
25 gust 4, 1886 (24 Stat. 246; U. S. C., title 31, sec. 607),

1 as reads: "the estimates for the Army and Navy hos-
2 pital service shall be submitted as a part of the military
3 establishment".

4 (43) The first full paragraph on page 117 of volume
5 31 of the Statutes at Large, in the Act of April 17, 1900
6 (U. S. C., title 31, sec. 609).

7 (44) Section 3668 of the Revised Statutes (U. S. C.,
8 title 31, sec. 610).

9 (45) So much of the first paragraph on page 357 of
10 volume 20 of the Statutes at Large, in the Act of March
11 3, 1879 (U. S. C., title 31, sec. 611), as reads: "": *Pro-*
12 *vided*, That hereafter, in making his estimates for railway
13 mail service the Postmaster General shall separate the esti-
14 mate for postal-car service from the general estimates; and
15 in case any increase or diminution of service by postal cars
16 shall be made by him, the reasons therefor shall be given
17 in his annual report next succeeding such increase or
18 diminution".

19 (46) So much of the first paragraph under the heading
20 "United States Geological Survey" in the Act of March 3,
21 1887 (24 Stat. 527; U. S. C., title 31, sec. 612), as reads:
22 "; and hereafter the estimates for the Geological Survey
23 shall be itemized".

24 (47) The first paragraph on page 455 of volume 32

1 of the Statutes at Large, in the Act of June 28, 1902
2 (U. S. C., title 31, sec. 612).

3 (48) Section 4 of the Act of August 15, 1876 (19
4 Stat. 200; U. S. C., title 31, sec. 613).

5 (49) The fourth paragraph of section 26 of the Act
6 of June 30, 1913 (38 Stat. 103; U. S. C., title 31, sec.
7 613).

8 (50) The eighth full paragraph on page 1421 of volume
9 36 of the Statutes at Large, in the Act of March 4, 1911
10 (U. S. C., title 31, sec. 614).

11 (51) The eighth full paragraph on page 1206 of volume
12 33 of the Statutes at Large, in the Act of March 3, 1905
13 (U. S. C., title 31, sec. 615).

14 (52) The fourth full paragraph under the heading
15 "Government in the Territories" of the Act of July 16,
16 1914 (38 Stat. 479; U. S. C., title 31, sec. 616).

17 (53) The first full paragraph on page 492 of volume
18 39 of the Statutes at Large, in the Act of August 11, 1916
19 (U. S. C., title 31, sec. 617).

20 (54) The proviso in the first paragraph under the
21 heading "Rent in the District of Columbia" of the Act of
22 March 4, 1915 (38 Stat. 1108; U. S. C., title 31, sec.
23 617).

24 (55) The seventh paragraph on page 433 of volume

1 32 of the Statutes at Large, in the Act of June 28, 1902
2 (U. S. C., title 31, sec. 618).

3 (56) The ninth full paragraph on page 755 of volume
4 36 of the Statutes at Large, in the Act of June 25, 1910
5 (U. S. C., title 31, sec. 618).

6 (57) The fourth full paragraph on page 362 of volume
7 27 of the Statutes at Large, in the Act of August 5, 1892
8 (U. S. C., title 31, sec. 619).

9 (58) The first full paragraph on page 764 of volume
10 36 of the Statutes at Large, in the Act of June 25, 1910
11 (U. S. C., title 31, sec. 620).

12 (59) Section 6 of the Act of August 1, 1914 (38
13 Stat. 679; U. S. C., title 31, sec. 621).

14 (60) The last full sentence in the first paragraph on
15 page 254 of volume 23 of the Statutes at Large, in the Act
16 of July 7, 1884 (U. S. C., title 31, sec. 622).

17 (61) Section 5 of the Act of June 30, 1906 (34 Stat.
18 763; U. S. C., title 31, sec. 626).

19 (62) The proviso at the end of the first paragraph on
20 page 579 of volume 37 of the Statutes at Large, in the Act
21 of August 24, 1912 (U. S. C., title 31, sec. 626).

22 (63) Section 7, as amended, of the Act of August 26,
23 1912 (37 Stat. 626; 37 Stat. 790; U. S. C., title 31, sec.
24 629).

1 (64) The fourth full paragraph on page 854 of volume
2 37 of the Statutes at Large, in the Act of March 4, 1913
3 (U. S. C., title 31, sec. 630).

4 (65) The proviso at the end of the seventh paragraph
5 on page 1030 of volume 31 of the Statutes at Large, in the
6 Act of March 3, 1901 (U. S. C., title 31, sec. 633).

7 (66) The second paragraph under the heading "Con-
8 tingent, Bureau of Ordnance" of the Act of July 12, 1921
9 (42 Stat. 128; U. S. C., title 31, sec. 636), down through
10 the first proviso therein.

11 (67) So much of the third paragraph under the heading
12 "Contingent Expenses, Navy Department" of the Act of
13 June 22, 1906 (34 Stat. 427; U. S. C., title 31, sec. 637),
14 as reads: "and hereafter it shall not be lawful to expend, for
15 any of the offices or bureaus of the Navy Department at
16 Washington, any sum out of appropriations made for the
17 naval establishment for any of the purposes mentioned or
18 authorized in the said foregoing paragraph".

19 (68) So much of the paragraph under the heading "In-
20 crease of the Navy, Equipment" of the Act of March 3, 1915
21 (38 Stat. 952; U. S. C., title 31, sec. 648), as reads: "and
22 beginning with July first, nineteen hundred and fifteen,
23 equipment outfits shall be charged to appropriation 'Increase
24 of the Navy, Construction and Machinery'".

1 (69) The two provisos in the paragraph under the
2 heading "Fuel and Transportation" of the Act of March 3,
3 1915 (38 Stat. 944; U. S. C., title 31, sec. 649).

4 (70) The proviso in the tenth paragraph on page 236,
5 of volume 28 of the Statutes at Large, in the Act of August
6 6, 1894 (U. S. C., title 31, sec. 650).

7 (71) The fourth full paragraph on page 1175 of volume
8 34 of the Statutes at Large, in the Act of March 2, 1907
9 (U. S. C., title 31, sec. 655).

10 (72) So much of the first full paragraph on page 1391
11 of volume 42 of the Statutes at Large, in the Act of March
12 2, 1923 (U. S. C., title 31, sec. 656), as reads: "and
13 the Budget estimates for each of such appropriations shall
14 hereafter carry separately the amounts required for such
15 transportation costs".

16 (73) The proviso in the seventh full paragraph on page
17 520 of volume 32 of the Statutes at Large, in the Act of
18 June 30, 1902 (U. S. C., title 31, sec. 657).

19 (74) The proviso in lines 2 through 8 on page 710
20 of volume 36 of the Statutes at Large, in the Act of June
21 25, 1910 (U. S. C., title 31, sec. 664).

22 (75) Section 3682 of the Revised Statutes (U. S. C.,
23 title 31, sec. 674).

24 (76) Section 3683 of the Revised Statutes (U. S. C.,
25 title 31, sec. 675).

1 (77) The second full paragraph on page 1303 of volume
2 41 of the Statutes at Large, in the Act of March 3, 1921
3 (U. S. C., title 31, sec. 676).

4 (78) The proviso in lines 7 through 17 on page 203
5 of volume 20 of the Statutes at Large, in the Act of June
6 19, 1878 (U. S. C., title 31, sec. 677).

7 (79) Section 3684 of the Revised Statutes (U. S. C.,
8 title 31, sec. 681).

9 (80) Section 6 of the Act of May 30, 1908 (U. S. C.,
10 title 31, sec. 683).

11 (81) So much of the paragraph under the heading
12 "Pay of Assistant Custodians and Janitors" on pages 1153
13 and 1154 of volume 31 of the Statutes at Large, in the Act
14 of March 3, 1901 (U. S. C., title 31, sec. 684), as reads:
15 " , and hereafter no other fund appropriated shall be used
16 for this service".

17 (82) The second paragraph under the heading "United
18 States Commerce Court" of the Act of March 4, 1911 (36
19 Stat. 1234; U. S. C., title 31, sec. 687).

20 (83) Section 26 of the Act of June 30, 1913 (38 Stat.
21 103; (U. S. C., title 31, sec. 688).

22 (84) Section 400 of the Second Deficiency Appropria-
23 tion Act, 1947 (U. S. C., title 31, sec. 694).

24 (85) Section 607 of the Act of June 30, 1945, as
25 amended (59 Stat. 304; U. S. C., title 5, sec. 947).

1 (86) Section 3 of the Act of March 3, 1875, as
2 amended (18 Stat. 370; U. S. C., title 31, sec. 624).

3 (87) So much of the Act of March 26, 1934, as
4 amended (48 Stat. 466; U. S. C., title 5, sec. 118c), as
5 reads: "with the Budget estimates".

6 (88) So much of the paragraph under the heading
7 "Department of State" in the Act of August 5, 1909 (36
8 Stat. 119; U. S. C., title 5, sec. 157), as reads: "and
9 estimates for further appropriations hereunder shall include
10 in detail salaries for all persons to be employed and paid
11 in the Department of State at Washington, District of
12 Columbia".

13 (89) The last proviso under the head "Working Capi-
14 tal Fund" in the Act of July 12, 1943 (57 Stat. 393;
15 U. S. C., title 5, sec. 558a).

16 (90) So much of section 17 of the Act of May 22,
17 1920, as amended (41 Stat. 620; U. S. C., title 5, sec.
18 730), as reads: "annually to the Bureau of the Budget".

19 (91) Section 31 of the Act of September 7, 1916, as
20 amended (39 Stat. 749; U. S. C., title 5, sec. 782).

21 (92) The last sentence of section 35 of the Act of
22 September 7, 1916, as amended (39 Stat. 749; U. S. C.,
23 title 5, sec. 785).

24 (93) So much of section 1 of the Act of October 1,
25 1890 (26 Stat. 653; U. S. C., title 10, sec. 214), as

1 reads: "and the Signal Corps of the Army shall remain a
2 part of the Military Establishment under the direction of
3 the Secretary of War, and all estimates for its support shall
4 be included with other estimates for the support of the
5 Military Establishment".

6 (94) The last proviso of section 4 of the Act of March
7 12, 1926 (44 Stat. 206; U. S. C., title 10, sec. 1597).

8 (95) So much of section 1 of the Act of June 12.
9 1917, as amended (40 Stat. 153; U. S. C., title 16, sec.
10 452), as reads: "and the Secretary of the Interior is directed
11 to submit, for the fiscal year nineteen hundred and nineteen
12 and annually thereafter, estimates of the amounts required
13 for the care, maintenance, and development of the said
14 parks."

15 (96) So much of section 1 of the Act of July 24, 1876,
16 as amended (19 Stat. 99; U. S. C., title 24, sec. 278), as
17 requires estimates for the care and maintenance of the na-
18 tional military cemeteries to be submitted annually by the
19 Director of the National Park Service.

20 (97) So much of section 1 of the Act of January 24,
21 1923 (42 Stat. 1208; U. S. C., title 31, sec. 12), as reads:
22 "The aggregate of all estimates of appropriations from the
23 'reclamation fund' contained in the Budget for any fiscal
24 year shall be included in the totals of the Budget for that
25 year."

1 (98) The second paragraph under the heading "Pay,
2 Miscellaneous" of the Act of March 3, 1909 (35 Stat. 754;
3 U. S. C., title 31, sec. 609a).

4 (99) The third paragraph under the heading "Office
5 of the Fourth Assistant Postmaster General" of the Act of
6 June 9, 1896 (29 Stat. 316; U. S. C., title 31, sec. 610a).

7 (100) The last proviso under the heading "National
8 Home for Disabled Volunteer Soldiers" of the Act of October
9 2, 1888, as amended (25 Stat. 543; U. S. C., title 31,
10 sec. 719).

11 (101) Section 119 of the Act of June 3, 1916 (39
12 Stat. 213; U. S. C., title 32, sec. 25).

13 (102) So much of the fourth full paragraph on page
14 558 of volume 39 of the Statutes at Large in the Act of
15 August 29, 1916 (U. S. C., title 34, sec. 504), as reads:
16 "and the Secretary of the Navy shall each year, in the
17 annual estimates, report to Congress the number of persons
18 so employed, their duties, and the amount paid to each".

19 (103) The last proviso in the third paragraph on page
20 377 of volume 37 of the Statutes at Large in the Act of
21 August 23, 1912 (U. S. C., title 39, sec. 769).

22 (104) Section 27 of the Act of January 12, 1895, as
23 amended (28 Stat. 604; U. S. C., title 44, sec. 37).

24 (105) The eighth full paragraph on page 382 of

1 volume 35 of the Statutes at Large in the Act of May 27,
2 1908 (U. S. C., title 44, sec. 37).

3 (106) The last paragraph under the heading "Govern-
4 ment in the Territories" in the Act of June 20, 1874 (18
5 Stat. 99; U. S. C., title 48, sec. 1456).

6 SAVING PROVISIONS

7 SEC. 302. (a) The omission of any provision of law
8 from the provisions of law repealed under section 301
9 shall not be construed as limiting the application of section
10 201 or 216 of the Budget and Accounting Act, 1921, as
11 amended, or the powers of the President thereunder, or as
12 evidencing an intent that such provision was not to be super-
13 seded by such sections.

14 (b) Whenever any law authorizes expenditures for a
15 particular object or purpose to be made from an appro-
16 priation item referred to in such law by the specific title
17 theretofore used for that appropriation item in the appro-
18 priation Act concerned, and thereafter such title is changed
19 or is eliminated from such appropriation Act, expenditures
20 for such object or purpose thereafter may be made from any
21 corresponding appropriation item.

22 (c) Except where authority for performance of a func-
23 tion is specifically repealed in section 301, none of the pro-
24 visions of such section shall be construed as affecting the

1 jurisdiction or responsibility of any agency or officer of the
2 Government over any function or organizational unit referred
3 to in such section.

4 (d) Existing laws, policies, procedures, and directives
5 pertaining to functions covered by this Act, and not incon-
6 sistent herewith or repealed hereby, shall remain in full
7 force and effect unless and until superseded, or except as
8 they may be amended, under the authority of this Act or
9 under other appropriate authority.

81ST CONGRESS
2^D SESSION

H. R. 9038

[Report No. 2556]

A BILL

To authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes.

By Mr. KARSTEN

JULY 5, 1950

Referred to the Committee on Expenditures in the Executive Departments

JULY 13, 1950

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

CONSIDERATION OF H. R. 9038

JULY 20, 1950.—Referred to the House Calendar and ordered to be printed

Mr. MADDEN, from the Committee on Rules, submitted the following

REPORT

[To accompany H. Res. 729]

The Committee on Rules, having had under consideration House Resolution 729, report the same to the House with the recommendation that the resolution do pass.



House Calendar No. 251

81ST CONGRESS
2^D SESSION

H. RES. 729

[Report No. 2703]

IN THE HOUSE OF REPRESENTATIVES

JULY 20, 1950

Mr. MADDEN, from the Committee on Rules, reported the following resolution;
which was referred to the House Calendar and ordered to be printed

RESOLUTION

1 *Resolved*, That immediately upon the adoption of this
2 resolution it shall be in order to move that the House
3 resolve itself into the Committee of the Whole House on the
4 State of the Union for the consideration of the bill (H. R.
5 9038) to authorize the President to determine the form
6 of the national budget and of the departmental estimates, to
7 modernize and simplify governmental accounting and audit-
8 ing methods and procedures, and for other purposes. That
9 after general debate, which shall be confined to the bill and
10 continue not to exceed one hour, to be equally divided and
11 controlled by the chairman and ranking minority member
12 of the Committee on Expenditures in the Executive Depart-

1 ments, the bill shall be read for amendment under the five-
 2 minute rule. At the conclusion of the consideration of the
 3 bill for amendment, the Committee shall rise and report the
 4 bill to the House with such amendments as may have been
 5 adopted and the previous question shall be considered as
 6 ordered on the bill and amendments thereto to final passage
 7 without intervening motion except one motion to recommit.

House Calendar No. 251

81ST CONGRESS
 2^D SESSION

H. RES. 729

[Report No. 2703]

RESOLUTION

Providing for the consideration of H. R. 9038,
 a bill to authorize the President to deter-
 mine the form of the national budget and of
 departmental estimates, to modernize and
 simplify governmental accounting and au-
 diting methods and procedures, and for
 other purposes.

By Mr. MADDEN

JUNE 20, 1950

Referred to the House Calendar and ordered to be
 printed

A-6409553, Thout, Henri.
 A-6423544, Thout, Mathilde Lucienne (nee Four).
 A-7560616, Van Sant, Helen Josefina (nee Helen Gavrilkina or Helen Josefina Smith).
 A-6421714, Wattinne, Emmanuel Andre.
 A-6421712, Wattinne, Genevieve (nee Dubart).
 A-6738893, Cohen, Theodore, or Theodor Cohen or Theodor Moscovitz.
 A-6738894, Cohen, Zeev.
 A-6422172, Ramirez-Calvillo, Basilio.
 A-6763248, Ramirez-Munoz, Anastacia.
 A-6763249, Ramirez-Munoz, Francisco.
 A-6763250, Ramirez-Munoz, Reynalda.
 A-9776746, Gawronski, Marian.
 A-6171825, Mercader, Antonio Jimenez, or Jimenez Mercader.
 A-5991076, Schwarz, Maria or Werner (nee Reiner).
 A-5991075, Schwarz, Morris, or Ceza Gabriel Werner.
 A-5435491, Kroog, Fritz Heinrich Konrad, or Fred Henry Conrad Kroog or Fred Fischer.
 A-3638660, Cavaco, Francisco Da Silva, or Frank Silva.
 A-1317193, Cohen, Eva.
 A-7041970, Cohen, James Irving.
 A-5709166, Cohen, Morris.
 A-5622032, Daschek, Franz Ludwig.
 A-5622079, Daschek, Marie Antonia (see Sustr).
 A-4287504, De Castro, Joaquin Fernandes, or Luis Vedro or Jack Valaria.
 A-3288227, Dimos, Isidoros, or Isidoros Nicolaou Dimos.
 A-2944819, Gerolimatos, Dionisius, or Denis Nicholas.
 A-3699009, Goncalves, Antonio.
 A-5422978, Gonsalves, Maria (alias Maria Anna Celina Parent, alias Marie Anna Parent, alias Mrs. De Courville).
 A-4325050, Jimoyjanis, George C., or Georgios Chris Jimoyianes or George Christ Jimos.
 A-3261929, Katechis, Constantine Spiros.
 A-7029793, King-Yien, Laai.
 A-1073649, Klighich, Bronislaw.
 A-3694825, Krol, Joseph, or Joseph Carl Krol.
 A-4572952, Labdas, Demetrios, or James Constantine Lavdas.
 A-3249920, Livanis, Michael Panagiotis, or Michael Peter Livanis.
 A-3889829, Lombardi, Ciluliano, or Dominic Lombarde.
 A-1755458, Loussedes, Basilios Antonios (aliases William Anthony Loussedes, William Anthony Loussedes, Vassiliós Lousidis).
 A-2281926, Maglish, Efm Jim.
 A-2541839, Mandarakas, John, or John Mandas.
 A-2923256, Moscos, Georgios Giannes, or George Moskos or Moschos.
 A-7029794, Mo-Yien, Laai.
 A-2561962, Pagiou, Panagiotis Christov (alias Panayiotis Christov Pagio alias Pete Pagiou).
 A-5750550, Palfy, Frank, or Ference Palfi or Frank P. Baker.
 A-3722917, Paparizos, Regas Antonios, or Regas A. Paparizos.
 A-7722859, Perez, Estelle Ruby Curtis (nee Goodalle, alias Goodall alias Estelle Ruby Curtis Martin).
 A-7685398, Plesman, Alma Emelie Francoise (nee Berner).
 A-7505700, Plesman, Cornelis.
 A-3919787, Run, Wong Look, or Wong Luk Run or Wong Lin or Pee Wee or Run Luk Wong or Run L. Wong.
 A-3225657, Suan, Aw Tee, or Hong Fong or Fong Hong.
 A-3776006, Sui-Laan, Loh, or Mrs. Laai Yi-Faai.
 A-2185135, Yang, Ho Ching, or Yang Ho Ching.
 A-1894434, Yang, Von Sung (nee Von Sung Soung).
 A-3076334, Yi-Faai, Laa.

A-4352509, Aikaterines, Demetrios, or James M. Katerinis.
 A-6748311, Ali, Kubalyat, or Kalafi Ali.
 A-6606703, Bisenz, Rudolf, or Rudolf Bisenz.
 A-6606704, Bisenz, Suzanne (nee Hoffman).
 A-4631507, Bufl, Giuseppe.
 A-2292029, Calamaras, Peter, or Panagiotis Calamaras.
 A-5785879, Chow, Shu Ping.
 A-4004076, Coveris, Emanuel Stamatiou.
 A-2245431, Gianiotis, George Gregorios, or John Kordonas.
 A-4680895, Gifford, Joseph.
 A-3269763, Hallas, Sotirios, or Sam Hallas or Sotirios Halas.
 A-2966003, Kakouris, Matheos, or Mathaios Kakouris or Mike Coris.
 A-3082607, Kantosos, Angelos Angoniou, or Angelo Anthony Kantosos.
 A-1441262, Kriticos, Evangelos Georgious, or Angelos Kriticos.
 A-6489656, Lybarger, Gladys Maud, or Gladys Marjorie Lybarger or Gladys Marjorie Turner or Gladys Marjorie Glend.
 A-6948932, Pagoulatos, Spiroilolaos, or Nicholas Pagoulatos.
 A-3111122, Palazzo, Berardino, or Berardino Palazzo Di Antonio.
 A-2033686, Pinto, John.
 A-2363849, Said, Abdul, or Reefat Ullah.
 A-5990863, Scuglia, Domenico.
 A-2073291, Sikouris, Evangelos Nicolaus.
 A-3749650, Stef, Nicolae, or Nick Stef.
 A-3902033, Young, Chin Kung (alias George Chin, George Chin, Chin Gene Pong).
 A-6965100, Iacono, John George Dello.
 A-7500627, Yamagiwa, Hanako.
 A-7124032, Tsai, Mark, or Mark Chai.
 A-7578919, Freel, Pansy Muriel, or Pamela Muriel Freel.
 A-6377729, Sun, Dr. Kuei-shu.
 A-7284887, Didner, Samuel.
 A-2053412, Mrak, Joseph or Joe Mrak.
 A-3683972, Politis, Petros Andrea.
 A-6235601, Kia, Ghodsee Zaman (nee Alborz).
 A-6079535, Wyss, Maria Luling or Maria Milagros Luling Wyss.

TRANSFER OF FUNDS FOR STATE ROUTE 100, STATE PARKWAY ROUTE 4, NEW JERSEY

The bill (H. R. 6971) to authorize the transfer of funds allocated for expenditure in cooperation with the New Jersey State Highway Department on State Highway Route No. 100 to State Parkway Route No. 4, was considered, ordered to a third reading, read the third time, and passed.

AID TO STATES IN FISH RESTORATION AND MANAGEMENT PROJECTS

The bill (H. R. 6533) to provide that the United States shall aid the States in fish restoration and management projects, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

BUDGET AND ACCOUNTING PROCEDURES ACT OF 1950

The bill (S. 3850) to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. Mr. President, this seems to be a very important bill. I think the RECORD should contain an explanation of it.

Mr. McCLELLAN. Mr. President, this bill, Senate bill 3850, was introduced on June 29, and it was intended to take the place of Senate bill 2054 which was introduced some time ago by the Senator from Wisconsin [Mr. McCARTHY] to carry out the Hoover Commission recommendation with reference to this subject matter. The Committee on Expenditures in the Executive Departments held quite extensive hearings on the original bill.

In the course of the hearings differences of opinion arose particularly with reference to title II of the bill, which proposed to set up an Accountant General's Office in the executive branch of the Government and vest in him certain powers which are now reposed in the Comptroller General. The committee is of the opinion that that provision should not be enacted into law. After working out all the differences that existed at that time with reference to the original bill the committee drafted this bill and introduced it, with 11 members of the Committee on Expenditures in the Executive Departments cosponsoring the bill.

Mr. President, this is a piece of highly technical legislation. I would not undertake to tell the Senate, even after all these studies, that I have a perfect understanding of it. However, I may say that about 3 years ago the Bureau of the Budget, the Comptroller General, and the Secretary of the Treasury initiated a voluntary program dealing with all the accounting phases of the Government. The Hoover Commission recommended that an Office of Accountant General be established in the executive branch of the Government. That recommendation is opposed by these three agencies that are definitely involved. This bill primarily enacts into law the procedures and practices which are now being followed in this voluntary system. After all the work on the bill it has the enthusiastic endorsement and support of these three agencies. Their letters and comments are contained in the report.

I may say, too, that with the one exception, the omission of the establishment of the Accountant General's Office, the bill implements the Hoover Commission recommendations. I do not think there is another provision in the bill which is in any way contrary to the Hoover Commission recommendations. It is designed to implement those recommendations. In my judgment and in the judgment of others, who have carefully studied the bill, it goes 90 percent of the way so far as the Hoover Commission recommendations on this subject are concerned.

The Citizens Committee supporting the Hoover Commission, while not wholly satisfied with the bill, because it does not establish the Office of Accountant General, does give its approval in language, which I shall be very glad to read to the Senate. I hope if I run over the allotted 5 minutes I shall be granted another few minutes. The Citizens Committee says:

Certain definite operating improvements and economies in line with the recommendations of the Hoover Commission should re-

sult from the accounting provisions of the bill, despite the variance from major policy proposals.

That has reference to the establishment of the Office of Accountant General.

The powers given to the Comptroller General would center responsibility for accounting to an extent that is lacking at present. These powers would be such as to make possible the implementation of accounting reforms developed in the Hoover report and in the present joint voluntary program of the Comptroller General, the Secretary of the Treasury, and the Director of the Budget. Progress can be made toward elimination of duplicative and cumbersome procedures, and inconsistent and improper application of accounting principles and practices.

I shall not take further time in explanation of the bill unless it is necessary to read the comments of the Honorable Lindsay C. Warren, the Comptroller General, the Honorable John W. Snyder, Secretary of the Treasury, and the Honorable Frederick J. Lawton, Director of the Budget Bureau, all of whom enthusiastically support the bill.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

The PRESIDING OFFICER. The time of the Senator from Arkansas has expired. Does the Senator wish additional time in order to yield to the Senator from North Dakota for a question?

Mr. McCLELLAN. If I may.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LANGER. What would the bill do aside from changing the method of accounting?

Mr. McCLELLAN. I shall read the general description:

The bill is in full accord with S. 2054 as it relates to performance budgeting and amendments to existing law in the auditing fields, but it does not implement the recommendation relative to the creation of an Accountant General, in whom would have been vested powers over the prescription of principles, standards, and related requirements for accounting. These functions involve long-established policies and powers of the Congress now vested in the Comptroller General. These provisions are designed to insure proper legislative controls over appropriations and Federal expenditures. It was the view of the committee that the Congress is not willing to surrender these legislative prerogatives to the Executive, and is willing to depart from the practice established by Congress with relation to controls over appropriations so long and so well exercised by its agency, the General Accounting Office.

Mr. President, S. 3850 covers three major subjects of budgeting, of accounting, and of appropriations, and then repeals a total of 106 out-moded or obsolete financial provisions of law. In the field of budgeting and of appropriation reforms, the proposal follows directly the meritorious recommendations of the Hoover Commission. Its adoption will achieve worth-while results such as modernization of budget practices, notably the adoption of performance budgeting which is designed to indicate not only the Government is to spend each year, but also what results are to be obtained from those expenditures.

The remaining subject covered by S. 3850 is that of improved accounting in the Government. This is a subject which is highly technical, and with which

few of us are fully informed, yet it is the very essence of achieving good administration and good management controls over the far-flung and exceedingly complex operations of the Federal Government.

Mr. McCARRAN. Mr. President, will the Senator yield for a question?

Mr. McCLELLAN. I am glad to yield.

Mr. McCARRAN. I should like to have the Senator state in what way this bill would affect the present Comptroller General's set-up.

Mr. McCLELLAN. To the extent that it affects the Comptroller General's set-up, it strengthens his power and control in connection with the general accounting system of the Government.

Mr. McCARRAN. The Comptroller General's Office is set up as an agency of Congress.

Mr. McCLELLAN. It is, and that is why the committee felt that it could not support the recommendation of the Hoover Commission that a part of those powers should be divested from the Comptroller General, from the legislative agency, and transferred to the executive branch.

I may say that the Secretary of the Treasury and the Budget Bureau do not want to assume the authority proposed to be created. So the bill gives the Comptroller General more power over prescribing the system of accounting, and places the responsibility on the heads of the various agencies to conform to the general standards set up by the Comptroller General. Then they are to be channeled through the Secretary of the Treasury so that he can coordinate them to the point that any information about accounting can be obtained through that direct channel. The general principles and standards are set up by the Comptroller General.

The PRESIDING OFFICER. Is there objection?

Mr. LANGER. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. LANGER. As I understand, the work for the Federal Government in connection with the State wildlife and game associations is all done through the States.

Mr. McCLELLAN. This bill relates to the accounting of the Government.

Mr. LANGER. I understand, but, as a matter of fact, the Government works through the various States, where the legislatures adopt statutes providing for taking care of the matter, and all that sort of thing. The question I wanted particularly answered is whether this proposed new law would in any manner whatsoever change the relationship between the States and the Federal Government.

Mr. McCLELLAN. It does not change the relationship with the States. It deals with agencies under the Federal Government, setting up an accounting system which will give the Comptroller General the power of general supervision.

I wonder if the Senator is not referring to another bill. Did he have in mind Calendar No. 2040, House bill 3906? Is that the one the Senator asked me about?

The PRESIDING OFFICER. Let the Chair make an observation, while the Chair is not making the point, the Senate must decide whether to debate the bill extensively. The Senator's time has expired.

Mr. McCARRAN. Mr. President, if the Senator will yield, I am wondering if a bill of this magnitude and importance should be passed under the 5-minute rule.

Mr. McCLELLAN. Mr. President, I am not insisting upon that. I was asked for an explanation of the bill, and I was trying to give it.

Mr. McCARRAN. I am going to ask that the bill go over.

The PRESIDING OFFICER. The Chair was not making a point of order on the Senator from Arkansas. But the bill is so important that the Chair was impressed by the gravity of it.

Mr. McCLELLAN. Mr. President, if I may have one more minute, I tried to state that this is highly technical legislation. As I said in the very beginning, notwithstanding all the study of it, and the effort to work over it for a long period of time, the agencies working together in consultation with the staff of the committee, in order to frame a bill upon which everyone could be in general agreement, it is still a bill whose consideration is of major importance. This is regarded as one of the most advanced and important steps that have been proposed possibly for the past 30 years with reference to legislation affecting the general accounting system and fiscal system of the Government. I very earnestly urge Senators to read the report, and let us try to enact the bill at this session.

The PRESIDING OFFICER. The bill will go over.

Mr. HENDRICKSON. Mr. President, I wanted to say, regarding this bill, that it is obvious from the remarks of the distinguished Senator from Arkansas that it proposes excellent legislation, which should be seriously considered by the Senate at the earliest possible moment. I wish to associate myself with the bill, and I am sorry it cannot be passed today.

The PRESIDING OFFICER. The Senator from Nevada objected, as the Chair understood.

Mr. McCARRAN. I asked that the bill go over.

The PRESIDING OFFICER. The bill will go over.

MERCHANT SHIP SALES ACT OF 1946— CORRECTION OF ERROR IN PUBLIC LAW 591

The joint resolution (S. J. Res. 193) to amend section 14 of the Merchant Ship Sales Act of 1946, as amended, for the purpose of correcting an error in Public Law 591, Eighty-first Congress, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That section 14 of the Merchant Ship Sales Act of 1946, as amended, is amended by striking out the word "or" after the word "contract" where it appears the second time and inserting in lieu thereof the word "of", so that the section as amended will read as follows:

"Sec. 14. No contract of sale shall be made under this act after January 15, 1951, and no

records relating to such powers, authority, and discretion, as he deems necessary; and he may so transfer all appropriations or other funds available for carrying out such powers, authority, and discretion.

(e) The financial transactions authorized by this act shall be subject to the Government Corporation Control Act, as amended, and other laws specifically applicable to wholly owned Government corporations as a class.

FINANCING

SEC. 5. (a) For the purpose of carrying out the functions authorized by this act, there is hereby established in the Treasury, a revolving fund which shall consist of (1) such amounts as the Congress may appropriate thereto, which appropriations are hereby authorized, (2) such amounts as may be paid into the fund pursuant to subsection (e) of this section, and (3) amounts received in connection with any transfer pursuant to subsection 4 (d) of this act.

(b) Pursuant to regulations prescribed by the President, the Secretary of the Treasury is authorized and directed to make advances from the fund not to exceed a total of \$35,000,000 outstanding at any one time. There shall be added to such advances and treated as advances an amount equal to the net value of assets of the program for the production and sale of abacá as held by the Reconstruction Finance Corporation on the effective date of this act.

(c) Interest shall be paid on each outstanding advance at such rates as may be determined by the Secretary of the Treasury to be appropriate in view of the terms for which such advances are made.

(d) Appropriations are hereby authorized for payment in the form of a grant, in such amounts as may be estimated in the annual budget as necessary to cover losses. The annual budget program shall specifically set forth any losses sustained in excess of the grant previously made for the last completed fiscal year. Appropriations are hereby authorized for payment to cover such additional losses incurred.

(e) Receipts for each fiscal year may be used for payment of the costs incurred in connection with projects and activities authorized by this act. After providing out of such receipts for necessary working capital requirements, any amounts in excess thereof shall be paid annually into the fund. Such payment shall be applied to reduce the amount of advances outstanding, and any remaining payments shall be covered into the Treasury as miscellaneous receipts.

(f) Until such time as the appropriations herein authorized are made, such of the powers, authority, and discretion provided for in this act as the President may delegate to the Reconstruction Finance Corporation may be exercised by the Reconstruction Finance Corporation under the authority conferred by former section 5d (3) of the Reconstruction Finance Corporation Act, as amended (54 Stat. 573, 961, 55 Stat. 249); joint resolution approved June 30, 1945 (59 Stat. 310); and section 12 of the Reconstruction Finance Corporation Act, as amended (61 Stat. 207), with funds recovered or recoverable from its national defense, war, and reconversion activities.

DISPOSAL OF PROPERTY

SEC. 6. Whenever the President shall determine that any property is excess to the purposes of this act, or that adequate supplies of abacá will be available from other sources within the Western Hemisphere on a basis acceptable to the United States, property held for the purposes of this act may be disposed of in such manner and on such terms and condition as the President may prescribe.

REPORTS

SEC. 7. Within 6 months after the close of each fiscal year a report shall be submitted to the Congress on the activities under this act.

EFFECTIVE DATE AND DURATION

SEC. 8. This act shall become effective on April 1, 1950, and shall remain in effect for 10 years thereafter, unless the President shall direct earlier termination of operations, and for such further period as is necessary to the earliest practicable liquidation of operations under this act.

With the following committee amendment:

Page 7, line 13, after the word "the", insert: "Congress or the."

The committee amendment was agreed to.

Mr. CRAWFORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAWFORD. On page 3, line 9, strike out subparagraph (c) and insert the following:

"(c) All abacá fiber produced under this act shall be utilized solely to fulfill the objectives for stockpiling under the Strategic and Critical Materials Stock Pile Act (60 Stat. 596), as amended, and when the objectives of such act as amended have been fulfilled, report shall be submitted to Congress. Nothing herein shall prevent rotation of such fiber as produced under this act where necessary to prevent deterioration, as provided in section 3 (d) of the Strategic and Critical Materials Stock Pile Act (60 Stat. 596), as amended, but such rotation shall be effected only after research and determinations under section 3 (b) of this act."

Mr. CRAWFORD. Mr. Chairman, I ask the Members to refer to line 9, page 3, of the bill, subparagraph (c) which provides that—

(c) Abacá fiber, produced under this act, which from time to time is not needed for stockpiling under the Strategic and Critical Materials Stock Piling Act (60 Stat. 596), as amended, may be sold otherwise than for stockpiling under such act.

This fiber is now being sold into the channels of trade. Of 3,000 bales offered just a short time ago, some 2,800 went into the channels of trade. This fiber, with our now critical situation, is not going into stockpiling, because it can be sold into the channels of trade. The channels of trade reach for it, naturally, because it is right here at their back door. They do not have to carry the ordinary or war risk insurance or interest risk from the Far East to the Atlantic seaboard. Naturally those private consumers of cordage fiber will support a proposal wherein the taxpayers, operating through the RFC, will carry those stocks for them and sell them to these individual users.

The amendment which I offer here does nothing in the world except preserve this production, financed with taxpayers money, for stockpiling purposes, plus, it provides for the rotation, so that the fiber carried over a period of time will not deteriorate. As our subcommittee has pointed out, it will be 3 years before you get production from this new acreage—not from the old acreage; do not get confused on that now—production from the new acreage, which means

to say that if you are going to have any substantial consumption of fiber, you are going to be buying fiber from the Philippine Islands for stock-piling, which means to say that as you bring it in you can rotate it with the production of Central American fiber under this bill and prevent your deterioration.

I cannot imagine on any ground how a person can oppose this amendment. I am not up here shedding salty tears for the protection of the people in the Philippines, as much as I like them, and as much as I respect them and as much as I have worked with them; I am talking about the defense of the United States first, because if the United States is defended, the Philippine Government and the Filipino people will have a chance for a place in the sun, and if we do not defend ourselves, what chance have the Philippines got? The Philippines are a Republic today because the Congress of the United States gave them their independence. And, incidentally, we did not give it to them with my support, because I refused to go along with that proposition, because I believed they could not stand on their own feet. Of course they cannot stand on their own feet, and we have to protect them. And, I repeat, if we go out of the Philippines, we will go out of the Far East; you can rest assured about that.

This amendment of mine should be adopted. It in no way interferes with this program except it interferes with the selling of this production subsidized with taxpayers' dollars into the private channels of commerce, and it has got no business there at the present time especially; it has no business there so long as the world is short of this type of fiber as it is today. We should adopt the amendment not just because somebody says something about the Philippines, but because it is good, ordinary horse sense and in defense of the United States to do so. This amendment will give protection in the price levels. It will encourage those people in the Philippines who are now geared and ready for production to go ahead and get the stuff out in the market and into the channels of trade, and it has the same effect with respect to sisal fiber that the operation of synthetic rubber plants have in this country with respect to giving us a supply of rubber. Those plants should be stepped up in production with respect to rubber, and I would support that. But, I think everyone understands the amendment. I do not want to take any more of your time, and I hope the amendment will be adopted.

Mr. SHORT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it is not at all agreeable to disagree with my good friend, the gentleman from Michigan [Mr. CRAWFORD]. However, the Department of Defense and the Munitions Board vigorously oppose any amendment to this measure that would require them to convert all Central American abacá production to the stockpile. The price of abacá before World War II was 7 cents a pound. Last week it was 24 cents a pound. Today it is 26 cents a pound. If all Central

American abacá production is put into the stockpile, the cordage industry in this country, that must be kept in a healthy condition, will be at the complete mercy of the abacá dealers in the Philippines. I am not questioning the motives of our Philippine friends, but I submit to you that it is a pretty bad thing for any nation to have a monopoly on any strategic material in this world. It certainly would be a dangerous thing for us to have to rely upon one source of supply that is so distant from the continental United States.

If this amendment is adopted, no one here can tell where the price of abacá would stop. Every cent of increase in price would come out of the pockets of the American taxpayers.

Like the gentleman from Michigan [Mr. CRAWFORD], I have only the kindest feeling and good will toward our Philippine friends. I do not think I ever had a more enjoyable time than I had in Manila in 1946. I have also had the privilege and pleasure of visiting Guatemala and other Central American countries. I like those countries, too. This is a matter of business, not sentimentality.

This amendment should be defeated.

Mr. DURHAM. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I hope the Committee will vote down the amendment. Suppose we were to adopt a similar policy on all of our strategic and critical materials that are bought and put into the stockpile, for instance, rubber. All of these materials have what we call a life expectancy. Some may last 2 years, some 3 years, some 10 years; and some of them, of course, are permanent. But to apply this restriction and not permit this abacá to go into the channels of trade would mean this. We hope to have peace here some time in our lifetime. Certainly we do not want to be sitting here with a frozen stockpile of billions of dollars' worth of stocks on our hands and not be able to sell them into the channels of industry in peacetime.

If you will read the Stockpiling Act, Public, 520, you will find that it laid down that principle to begin with. We have carried out that principle probably too far in the last 4 or 5 years because industry in this country has been running at a very high level. I think we have exercised wise judgment most of the time, but some of the items probably we have sold down to too small a stockpile.

We would run into the same difficulty if we were to tie down every one of them and adopt such a policy as this in our strategic stockpiling act. I certainly hope the House will vote down this amendment.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. DURHAM. I yield.

Mr. COLE of New York. I have been favorably disposed toward the amendment offered by the gentleman from Michigan [Mr. CRAWFORD], but I am disturbed by the situation that is pointed out by the gentleman from Missouri [Mr. SHORT], the possibility that we

might permit ourselves to be victimized by unscrupulous Philippine operators. I am wondering if that market condition could not be corrected by the Government's disposing of such portion of the stockpile as might be necessary in order to level off the market price.

Mr. DURHAM. I would like to be able to assure the gentleman that if that could be done today it would please me very much, to say that we are in that position. But I cannot say to the gentleman that we can do that at the present time.

Mr. COLE of New York. Does the law give to the Munitions Board or to the Defense Department authority to sell out of the stockpile into the channels of normal trade and into the normal market?

Mr. DURHAM. Yes; Public Law 520. Mr. COLE of New York. But in the opinion of the gentleman there are other factors involved which deny the Government the opportunity of correcting market conditions through the sale of Government stocks into the general market?

Mr. DURHAM. Yes, because if this Stockpile Act was used to go out and sell everything we had in a general market it would affect the market materially, or if we went out and purchased everything we needed tomorrow, it would be vice versa, so it has to be handled in a very careful manner. The gentleman knows those figures are all confidential.

Mr. COLE of New York. I realize that. In a general way I would assume that if the Government stocks were approaching the figure sought by the Government, then the Government would be in a position to release some Government stocks into the general market, but until that time is reached by the Government it would be dangerous for the Government to dispose of its own stocks just for the purpose of correcting market conditions.

Mr. DURHAM. If I were convinced that the stockpile is adequate, I would not be here today asking for this legislation. I thank the gentleman from New York for bringing out the points that he has.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. DURHAM. I yield.

Mr. CHAWFORD. The chairman read previously from the reports of the other body and this body and the hearings are full of information. Yet, with a shortage of production of sisal cordage all over the world here we are involved in this thing with the front-line pages of the newspapers calling for total mobilization and this committee at this very moment sits here and recommends that we turn these stocks into private channels. Where is the defense of the United States?

Mr. DURHAM. I do not believe the gentleman wants to force us into the situation where we would be paying 40 cents for cordage material to go into the stockpile.

Mr. CRAWFORD. Let us take charge of the stocks and hold them for the defense of our own country and let us tell

the consumers to cut out the consumption of goods until we win this fight.

Mr. DURHAM. I am sure the gentleman also recognizes the fact that the industrial production in this country is probably one of the greatest things today that Stalin has in his mind.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. DURHAM. I yield.

Mr. SHORT. No Member, Mr. Chairman, should have the fears expressed by the gentleman from Michigan. Certainly this Government, the Department of Defense, and the Munitions Board will take all of the Central American abacá for defense purposes for our stockpile if we need it. Bear in mind that if we had not had a synthetic rubber industry in this country today, we would perhaps be paying twice as much for rubber tires as we have been paying since the close of the last global conflict.

Mr. DURHAM. I might say to the gentleman today that we would extend our contracts for as long as 10 years if it would assure us of securing abacá for the stockpile and secure our national defense.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. CRAWFORD].

The question was taken; and on a division (demanded by Mr. CRAWFORD) there were—ayes 12, noes 58.

So the amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LYNCH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill S. 3520, pursuant to House Resolution 717, he reported the same back to the House with an amendment adopted in the Committee of the Whole.

Mr. DURHAM. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

BUDGET AND ACCOUNTING PROCEDURES ACT OF 1950

Mr. MADDEN. Mr. Speaker, I call up House Resolution 729 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9038) to authorize the President to determine the form of the national budget and of the departmental estimates, to modernize and simplify governmental ac-

counting and auditing methods and procedures, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Expenditures in the Executive Departments, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommend.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

(Mr. MADDEN asked and was given permission to revise and extend his remarks.)

Mr. MADDEN. Mr. Speaker, this bill, H. R. 9038, on which we are now asking for a rule, is for the purpose of modernizing and simplifying the accounting, auditing, and other methods and procedures involving our Federal bookkeeping. It authorizes the President to determine the forms to be used for the national budget and the departmental estimates.

Title 1 of this bill provides for a modernized budget and accounting procedure. It authorizes the establishment of a balanced, coordinated accounting program.

Title 3 of the bill provides that no request for legislation authorizing subsequent appropriations for the departments or establishments of the Government shall be transmitted to the Budget Bureau, the President, or the Congress without prior approval of the heads of the departments or establishments.

Title 3 repeats a number of provisions of the existing law which are obsolete or in conflict with the provisions of this bill.

Mr. Speaker, this legislation, if enacted into law, will fulfill a long-wanted need in the operations of the fiscal department of the Federal Government.

We are now operating under the old Budget and Accounting Act of 1921, and a mass of earlier legislation which is outmoded, due to the tremendous growth of our Government in the past 30 years.

Title II further provides that no request for any kind of legislation would authorize any subsequent expenditures which, if enacted, would be a change from the present method. It also provides that under the present situation different departments of the Government in outlying branch offices over the country can have spot sampling of their expenditure vouchers and papers without sending them in to Washington which, in turn, would be a great money saver and also a great time and labor saver in the matter of the operations of the fiscal department of our Government.

Mr. Speaker, this bill has the support of the Committee on Expenditures in the Executive Departments.

The gentleman from Ohio [Mr. BROWN], who is a member of the Hoover

Commission, and the other members of the Commission, went over this legislation very thoroughly. The bill came out of the Rules Committee unanimously. I believe it is a piece of legislation that the Government has been very dilatory in not presenting and having enacted into law before this.

Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may consume.

(Mr. BROWN of Ohio asked and was given permission to revise and extend his remarks.)

Mr. BROWN of Ohio. Mr. Speaker, as the gentleman from Indiana [Mr. MADDEN] has so ably explained, House Resolution 729 makes in order under an open rule and 1 hour of general debate, the bill H. R. 9038, to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes.

This bill comes from the Committee on Expenditures in the Executive Departments and amends quite a number of old laws now on the statute books, including the Budget and Accounting Act of 1921 so as to modernize our budget and accounting procedures. It is about 90 percent in line with the Hoover Commission recommendations; in other words, it accepts and puts into effect a great proportion of the recommendations made by the Hoover Commission in connection with budgeting and accounting methods and procedures within the executive branch of the Government.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. CASE of South Dakota. Can the gentleman state whether the bill in the form it now is with the amendments that are proposed by the committee will provide for submission to the Committee on Appropriations of the so-called green sheets, that is, sheets that pin down the classifications of appointments?

Mr. BROWN of Ohio. I am glad the gentleman asked that question. I will touch on that in just a moment.

The Hoover Commission recommended we have what is known as a performance budget rather than the present type of budget. A performance budget is one which will permit the collation, or the putting together, of all appropriation items for a given agency or activity in one place or section so we can find and look at it, and know the full proposed cost of that governmental agency, operation, or activity, instead of being required, as is now too often the case, to search through a great many different pages of the budget in an endeavor to find this, that, and the other cost of a given operation, only to perhaps miss a few items and so not ascertain just what that agency does cost.

I recall one of the activities of the Government which the Hoover Commission studied in connection with the budget. Most of us know that great in-

stitution, the Naval Medical Center. It is a very worth-while hospital and Government activity. But as a Member you would find the requested appropriation items dealing with the Naval Medical Center in 27 different places in the budget. If we did not look under this classification, or that classification, in the budget we would not have the complete picture as to the cost of operating the Naval Medical Center. Under the performance budget arrangement provided by this bill we can turn and find the Naval Medical Center requests, and have listed in a single place all the various costs of operation for that particular institution.

The Hoover Commission also recommended that we set up a new general accounting officer in the Treasury Department. This bill does not go that far; but it does provide—and I want the gentleman from California and the gentleman from Missouri to correct me if I am wrong—for the decentralization of accounting down into the various agencies and departments, as the Hoover Commission has recommended.

Mr. KARSTEN. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Missouri.

Mr. KARSTEN. It does provide for agency accounting systems.

Mr. BROWN of Ohio. This is in line in general, with that one exception, of all the Hoover Commission recommendations. So far as I know, and I do not want to speak out of turn for every member of the commission, but those members on the Commission with whom I have discussed this matter are in favor of this legislation.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Iowa.

Mr. JENSEN. Is this legislation in line with the recommendations of Lindsay Warren, the Comptroller General?

Mr. BROWN of Ohio. Yes. Mr. Warren helped prepare this legislation and has approved this measure, which seems to be agreed to by all of the different officials of Government who are interested. I refer to the Bureau of the Budget and the Treasury Department, in which the accounting officer would have been placed, if we had followed the entire Hoover Commission recommendation. We have agreed this bill will do practically the same thing as our recommendation would have done.

Mr. JENSEN. What proof do we have that if this legislation is made law it will save money?

Mr. BROWN of Ohio. I will discuss that in a moment.

Mr. JENSEN. I do want to say that certainly our governmental bookkeeping system needs a lot of correcting.

Mr. BROWN of Ohio. I am sure no one knows that better than the gentleman from Iowa [Mr. JENSEN], who has served so ably and so well on the Appropriations Committee.

Mr. JENSEN. I thank the gentleman. I remember in 1947 when the Bureau of Reclamation claimed that the Central Valley project was out of money. We

spent everything we had, so they said. Several large projects were stopped, but lo and behold when we investigated and went into the books we found that there was \$7,000,000 plus unexpended.

Mr. BROWN of Ohio. I remember that incident quite well, and I feel this bill may be of some benefit in preventing such a situation in the future.

Mr. JENSEN. That is one incident I can cite. I can stand up here and cite dozens of instances where they have no idea what they have as a balance, what they have spent, or what they have spent it for.

Mr. BROWN of Ohio. I thank the gentleman. I will comment on that in just a moment.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Massachusetts, the majority floor leader.

Mr. McCORMACK. I may say that the gentleman is correct when he says that the Comptroller General, Lindsay Warren, is in favor of this bill. I may also say that the gentleman is correct in saying that Secretary Snyder is in favor of it.

Mr. BROWN of Ohio. And also the Bureau of the Budget.

Mr. McCORMACK. Yes. Secretary Snyder personally called to see me a few days ago and expressed the strong hope that the bill would be reported out of committee and passed.

Mr. BROWN of Ohio. I thank the gentleman.

Mr. McCORMACK. I say that for the RECORD to confirm everything the gentleman from Ohio has said.

Mr. BROWN of Ohio. I thank the gentleman very much.

Mr. Speaker, I wish to make this statement: The gentleman from South Dakota asked me a moment or so ago as to the green sheets carrying the schedules of estimates to accompany appropriation requests. The gentleman from New York [Mr. TABER] appeared before the Committee on Rules and discussed with the Committee on Rules and with the members of the Committee on Expenditures in the Executive Departments the need of the Committee on Appropriations and Members of Congress generally to have the green sheets breaking down the estimated expenditures and appropriation requests for different agencies and departments. There was some discussion as to whether these green sheets should be prepared by the departments, based upon their requests, or by the Bureau of the Budget. As I understand and am informed, inasmuch as the gentleman from New York made a rather strong case for his position, and inasmuch as the Committee on Expenditures in the Executive Departments had not gone thoroughly into the need for these green estimate sheets which he brought to the attention of the Committee on Rules, there has been an agreement reached so that an amendment will be offered which will assure that these green sheets will be furnished as a part of the budget when it is submitted to Congress each year.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. I note that section 204 reads:

Except as otherwise provided in this act, the contents, order, and arrangement of the proposed appropriations and the statements of expenditures and estimated expenditures contained in the budget or transmitted under section 203, and the notes and other data submitted therewith, shall conform to requirements prescribed by the President.

As I understand the amendment that is to be proposed, it provides that the estimate shall be accompanied by information as to personal services and other types of expansion in the same manner as for fiscal 1950, but the point is, in saying that this "shall conform to requirements prescribed by the President" will that be interpreted to defeat in any sense or modify the right of the Committee on Appropriations to ask for such supplemental information, in such form as they may need for consideration of the estimates?

Mr. BROWN of Ohio. I cannot say as to what anyone may interpret anything to mean, but it is my understanding this bill will not interfere with the rights of the Committee on Appropriations to get additional information.

Mr. KARSTEN. Mr. Speaker, if the gentleman will yield, we have every desire to cooperate with the Committee on Appropriations in obtaining this information. The language that we have agreed upon will insure that the information will be furnished along with the budget, so it will be here in time to be available to the Members so that they can use it intelligently in analyzing these requests.

Mr. CASE of South Dakota. In the consideration of the budget estimates from time to time instances arise where they desire that information, and I simply want the record clear that in saying "shall conform to the requirements prescribed by the President" it does not operate in any way to defeat the request by the Committee on Appropriations.

Mr. KARSTEN. This will in no way preclude any members of the committee from requesting information.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from West Virginia.

Mr. BAILEY. I would like to inquire of the distinguished gentleman from Ohio if this pending legislation contains any provision for preexpenditures or incumbrance controls of legislative appropriations.

Mr. BROWN of Ohio. I do not think it does. I would not want to make a positive statement, but it is my understanding it does not.

Mr. BAILEY. I think the Congress could well give attention to some means that would create controls. I think there are entirely too many unjustified and uncalled for deficiency appropriations considered by this Congress.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from New York.

Mr. TABER. I think I ought to say to the House at this point that I have very grave doubts about some of the provisions in this bill. I have been over the situation with the gentleman from Missouri [Mr. KARSTEN], the gentleman from Indiana [Mr. HARVEY], and the gentleman from North Carolina [Mr. BONNER], and other members of the Committee on Expenditures in the Executive Departments. I have been over the matter with the Comptroller General and the Director of the Budget. We have arrived at an agreement which I think protects the situation of the Congress and the Appropriations Committee, and would enable the Congress to get the information it needs and require the budget to get it together and furnish the green sheets at the time the appropriation estimates are sent up by the President, so that those green sheets would be available to the committee just as soon as the budget was available. Therefore, the Appropriations Committee would be able to use them to the very best possible advantage.

I would not want the committee or any of its members feel that anything connected with the budget would prevent the Appropriations Committee from obtaining any information, either along the line of the present budget or a future budget, that they felt was necessary for consideration of a budget item that was before them. They are in a position where they can refuse to appropriate or to bring in a bill until the information that is necessary is furnished.

Mr. BROWN of Ohio. I am sure the gentleman from New York is entirely correct and that this legislation will in no way affect the right of the Appropriations Committee or the Congress to get additional information relative to appropriations requests that are received as a part of a budget. I do believe the gentleman from New York [Mr. TABER] has rendered a very worth-while service to the Congress and to the country in the suggestions he has made. I think he convinced both the Rules Committee and the members of the Committee on Expenditures that his suggestions should be written into the bill as amendments so as to protect fully the rights of the Appropriations Committee, so as to guarantee the additional information which is needed on the green sheets will be furnished.

Of course above all else, one of the important features of a performance budget arrangement is that the average Member of Congress as well as the specialists—for I call the men who serve on the Appropriations Committee specialists—will be able to interpret and know something about what these appropriation requests really mean, and to be able to and find in the budget the information they seek. Certainly I do not want to see any sort of a budget arrangement set up where we will not get the detailed information we need and desire as individual Members of Congress, or that is needed and desired by the Appropriations Committee, which of course

must do the great mass of the work on these appropriation bills.

Mr. PLUMLEY. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Vermont.

Mr. PLUMLEY. I think the gentleman's statement was ill-considered when he undertook to say the Appropriations Committee did not know what they were doing when they came to the Rules Committee.

Mr. BROWN of Ohio. I certainly made no such statement. Instead I paid them and Mr. TABER a very high compliment, or I attempted to do so. I must apologize to the gentleman if I failed to make myself clear. If he could understand me, I am sure it was my fault, not his, for he is a very learned, able, and distinguished Member of this body.

I assure the gentleman from Vermont I was attempting to pay a very high compliment to the gentleman from New York, the ranking member of the Committee on Appropriations because he did call to the attention of the Committee on Rules, and to the Committee on Expenditures in the Executive Departments, the weakness in this bill; and as a result of his splendid testimony before our committee certain amendments were prepared and agreed to, which will strengthen the measure, will protect the rights of the individual Members of Congress to get necessary information, and the right of the Committee on Appropriations to have the green estimate sheets. So my words were actually quite complimentary to your committee, sir.

I fear the gentleman, who is usually correct, did misunderstand what the gentleman from Ohio said.

Mr. PLUMLEY. If I misunderstood the gentleman, of course, I regret it, but I doubt that I did misunderstand him.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. CASE of South Dakota. I have been talking this over with other members of the committee here. The thing that disturbs us a little bit is that section 204, as amended, reads:

That the content, order, and arrangement shall conform to requirements prescribed by the President.

We have no objection to the President having in the Budget what he wants, but I would like to read this language which we would like to have in the bill.

Mr. BROWN of Ohio. The committee has some additional amendments and, of course, the gentleman may offer amendments if they wish.

Mr. CASE of South Dakota. May I read some language here that we have been talking over which we would like to have considered?

Mr. BROWN of Ohio. I am sorry the gentleman from South Dakota was not before the Committee on Rules and did not discuss this with the Committee on Expenditures in the Executive Departments so that we could have had these amendments considered at this time. If the gentleman will wait until the House resolves itself into the Committee of the Whole House on the State of the Union

for the consideration of this bill, he can ascertain what amendments will be offered, and perhaps may find that his objections have been met fully. At least I hope so.

Of course we cannot amend the bill while we are considering the rule.

Mr. CASE of South Dakota. Of course, we all understand that; but we are discussing the background of the bill.

Mr. BROWN of Ohio. That is right. Mr. CASE of South Dakota. It has occurred to some of us that language like this might help a good deal:

And provided further, That nothing in this act shall be construed to limit the authority of committees of Congress to request and receive such information in such form as they may desire in consideration of and action upon budget estimates.

Mr. BROWN of Ohio. I am sure that amendment could be offered by the gentleman. But I believe the gentleman from New York [Mr. TABER] made it very clear there could be no question as to that right existing. However, if the gentleman wishes to offer his amendment in the Committee of the Whole, I certainly would have no objection to it, because we want to make this bill as strong and as good as we can. I am just as anxious to protect every right of the Committee on Appropriations, and every right of each individual Member of Congress, to be completely informed on all appropriation matters as he.

Mr. PHILLIPS of California. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. PHILLIPS of California. Does the gentleman think it is the fundamental function of the Congress or does he think that it is the fundamental function of the President to determine the details of the budget? This bill gives that authority to the President.

Mr. BROWN of Ohio. To answer the gentleman very plainly, under the law it is the duty and responsibility of the President to submit a budget, but it is the responsibility and duty of the Congress, under the Constitution, to determine whether appropriations shall be made in line with, or contrary to, that budget.

Mr. PHILLIPS of California. The gentleman from Ohio did not quite understand me. As to the form and detail of the budget this bill gives all that authority to the President.

Mr. BROWN of Ohio. Well, someone has to set up the structure of the budget itself, as to the form and detail, under the direction of the Congress. I do not believe the Committee on Appropriations or the Congress has ever set up the form and detail of the budget itself in the past, or that it could do it in the future. Therefore the Bureau of the Budget, working under the direction of the President, has to do it. There has to be some agency, some administrative individual to do such spade work. But the Congress itself continuously keeps control over what is appropriated under the budget.

Mr. WIGGLESWORTH. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. WIGGLESWORTH. I notice on page 7, under Government Statistical Activities, that:

The President, through the Director of the Bureau of the Budget, is authorized and directed to develop programs and to issue regulations and orders for the improved gathering, compiling, analyzing, publishing, and disseminating of statistical information for any purpose by the various agencies in the executive branch of the Government.

Should that not also be subject to the action of the Congress?

Mr. BROWN of Ohio. I presume it will be. I believe the Congress directs what shall be done and gives that authority. But granting authority to the President is generally an order in effect.

Again, let me say, the Congress is not an administrative agency, but the executive branch is designated to carry out the will and instructions of Congress.

Mr. WIGGLESWORTH. It is a very important field which the Appropriations Committee is continually getting into. This gives me the impression that it is being taken out of the hands of the committee.

Mr. BROWN of Ohio. I say, again, the Appropriations Committee can and will control that, absolutely.

May I also say, in conclusion, that I feel this measure is a long step in the right direction. It is more than a step. It puts into effect somewhere between 80 and 90 percent of the recommendations of the Hoover Commission on these matters. I want to be very frank with the House in saying that this is a much better bill, and goes much further in carrying out the recommendations of the Hoover Commission in this particular field of activity, than I thought we would be able to bring before this Congress, so I hope we will pass the bill.

This measure is designed to give us a better budget and a better accounting system. It is designed to decentralize some of the accounting, and to give an opportunity to the Congress to be better informed upon the cost of Government and what we are appropriating for when we pass upon an appropriation bill. It is designed to bring greater governmental economy and efficiency, if it is properly administered.

If there has ever been a time in the history of this country when we should make every attempt to obtain greater economy and efficiency in the conduct of public business, it is right now. Any step we can take, any legislation we can enact, which will help reduce the cost of Government, especially on the home front, at this time, when we are straining the resources of the Nation to meet the needs of national defense, is one which should be taken. Certainly the time is at hand when this Congress should follow, and follow closely the policy the gentleman from New York [Mr. WADSWORTH] and myself, and some of the others on the Rules Committee, announced many months ago, that we would refuse to vote for or favor any bill which would establish any new governmental project, activity, or agency, not of absolute necessity to the security of this Nation, and which would require any

increase in or new Government expenditure, so long as we had to borrow the money to meet such an expenditure.

So I hope this legislation will result in the submission of a better budget; that the passage of this bill will result in a better accounting system; that we will all be better informed—not just the Appropriations Committee alone, but every Member of Congress—so we may be able to find and weed out any waste or extravagance which may exist in any budget. We must have a complete overall picture as to what Government activities are actually costing, we must be in better position to judge their value and decide how the public money should be spent on that particular activity in the best and most economical way.

I am hoping that as a result of the passage of this legislation, through the watchfulness of the Appropriations Committee, and through our own efforts, we may have much better control over future public spending, and that we may be able to reduce the cost of Government, at least on the home front. Certainly we should be able to reduce many, many of the expenditures we are now making on the domestic or civilian activities of our Federal Government.

Let me point out we are now spending approximately \$5,000,000,000 more on the operation of the civilian affairs of the Federal Government each year than were appropriated by the Republican Eightieth Congress 2 years ago. The Nation had pretty good government services then, from the various departmental agencies. There were no great complaints that any essential service had been destroyed or disrupted. Certainly we can find a good deal of the money we need to meet this increased cost of our new national defense effort by reducing or eliminating the waste, the extravagance, and the unnecessary expenditures which have existed in recent months and years in the operation of the civilian features of the Federal Government.

Mr. MADDEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. KARSTEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9038) to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9038) modernizing and simplifying governmental accounting and auditing methods and procedures, with Mr. ENGLE of California in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Missouri [Mr. KARSTEN] will be recognized for 30 minutes, and the gentleman from Michigan [Mr. HOFFMAN] for 30 minutes.

Mr. HOFFMAN of Michigan. Mr. Chairman, the gentleman from Indiana [Mr. HARVEY] will control the time on this side.

Mr. KARSTEN. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. HOLIFIELD].

(Mr. HOLIFIELD asked and was given permission to revise and extend his remarks.)

Mr. HOLIFIELD. Mr. Chairman, the bill H. R. 9038, the Budget and Accounting Procedures Act of 1950, is a technical measure. I am sure some of the technical details will be ably presented by other members of the committee, but I hope that these details will not obscure the paramount importance of the measure as a whole.

The bill was introduced by the gentleman from Missouri [Mr. KARSTEN], chairman of the Public Accounts Subcommittee of the Committee on Expenditures in the Executive Departments. The gentleman from Missouri has for a long time been familiar with Government accounting from the congressional standpoint; for, as you know, before he became a Member of Congress he has connected with the Committee on Accounts for many years under the leadership of our beloved late Member from Missouri, Mr. John Cochran.

The bill is identical, with the exception of amendments recommended by the committee, to a bill introduced by 11 of the 13 members of the Senate Expenditures Committee and recently reported out unanimously by that committee. It has been called by our agent, Comptroller General Lindsay Warren, the most forward-looking and important measure in its field since the Budget and Accounting Act of 1921.

The provisions of this bill grow out of the experience of the last 29 years in budgeting and accounting in the Government. They embody the principles and objectives of the joint program which has been carried on for the past 3 years by the Comptroller General, the Secretary of the Treasury, and the Director of the Bureau of the Budget to improve the Government's accounting. This program is a splendid example of cooperation between the executive and the legislative branches toward the common goal of better accounting and financial reporting in the Federal Government. All three of these officials appeared at the hearings on H. R. 9038 and strongly endorsed the bill. The bill specifically declares the policy of Congress that the three officials continue this program which they have already instituted.

The great need for this legislation is underscored just at this time in view of the large sums which the Congress is going to be called on to authorize for expenditure for national defense. We do not want to repeat the mistakes in the past caused by lack of proper controls over the expenditure of the public funds.

With the budgetary improvements and accounting systems contemplated by this bill, much better machinery will be available for keeping the Congress advised of what the money is being spent for and to aid detection of improper disbursements. There is also a great need for the simplification of accounting procedures contemplated by this bill. While all the improvements contemplated by the bill cannot be accomplished overnight, the bill provides the necessary legislative basis for instituting those improvements.

The bill incorporates all of the recommendations of the Hoover Commission report on budgeting and accounting with a single exception, that for the appointment of an Accountant General in the executive branch with authority over the prescribing of accounting systems and the supervising of accounting operations. That recommendation is contrary to a consistent congressional policy that the Comptroller General, as the agent of the Congress, prescribe accounting requirements for the executive agencies so that appropriate audits may be made of the agencies and that the Congress may exercise control over appropriations and expenditures.

We knew because that had been attempted before. In 1932 and in 1937, I believe, such a proposal was attempted legislatively and was turned down by the Congress. We members of the committee knew that the Congress would not relinquish this arm of the Congress, and the Comptroller General is the arm of the Congress, the watchdog of the Congress on expenditures in the executive departments. Therefore we did not include that one provision in this bill. We knew we could not pass it if we did include it in the bill because 90 percent of Congress, and I believe 100 percent of the members of the Committee on Expenditures, would have voted against that one thing.

Therefore, the committee has rejected this recommendation just as similar recommendations have been rejected on numerous occasions in the past by the Congress. The bill does provide a complete framework of responsibility and authority for development of accounting systems in each executive agency and a system of central accounting and reporting in the Treasury Department, all under principles and standards laid down by the Comptroller General to insure proper financial information and control for the agency heads, the President, and the Congress in fulfilling their respective responsibilities.

The whole reorganization program will be implemented by the adoption of this legislation. It is basic to all of the improvements for which we are striving in the management of the executive branch. It will provide a solid foundation for the best attainable budgeting, accounting, financial reporting, and auditing for the Federal Government, all in proper relationship. It will do all of this without weakening any essential controls by the Congress over the public funds.

Again I wish to stress the fact that Mr. Lindsay Warren, our present Comp-

troller General and a former Member of this body, Mr. Snyder, the Secretary of the Treasury, and Mr. Fred Lawton, the Director of the Bureau of the Budget, have given their wholehearted approval of this bill.

The bill was drawn jointly by these three agencies of Government which have to do most exclusively with the budgeting of accounts. I trust the House will pass this important legislation unanimously.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from California.

Mr. PHILLIPS of California. The gentleman has laid a great deal of emphasis on the fact that the budget forms are to be determined by the Comptroller General. My interpretation of the bill does not support that. The Comptroller General is the agent of the Congress.

Mr. HOLIFIELD. I believe section 103 of the bill provides the point I was making, that the budgeting and accounting procedures of the different executive branches shall be prescribed by the Comptroller General.

Mr. PHILLIPS of California. That is not the point I am making. The point I am making, so that the gentleman from California will understand, he thinks and he is saying that the Comptroller General is the one who will determine the form of the budget, but the wording of the bill we are acting upon says that it is the President, and that means the Bureau of the Budget. Under this bill that we are acting upon today, the form of the budget that comes to us could be completely changed, not by the Comptroller who is our agent, but by the President of the United States acting through the Director of the Budget, who is his agent. I question whether the Committee in bringing it out intended to put the power, not of making the budget, but in determining the form of the budget, in the hands not of the Congress, but in the President of the United States.

Mr. HOLIFIELD. I was mistaken in the section I referred to. I meant to refer to section 112 on page 10, where it says:

The Comptroller General of the United States, after consulting the Secretary of the Treasury and the Director of the Bureau of the Budget concerning their accounting, financial reporting, and budgetary needs, and considering the needs of the other executive agencies, shall prescribe the principles, standards, and related requirements for accounting—

Mr. PHILLIPS of California. May I interrupt the gentleman briefly just to say that that power of the Comptroller already has, and that is merely in order to provide a uniform accounting system between the various agencies of government, something we never had up to about three and a half years ago.

Mr. HOLIFIELD. But the Comptroller General at the present time, if I am not mistaken, has been doing this as a matter of voluntary agreement between the three branches.

Mr. PHILLIPS of California. No, he has it by authority and by instructions

given him through the Committee on Appropriations. This bill does not have to be passed in order to give him authority, except to have it in writing, perhaps. That is in existence today.

Mr. HOLIFIELD. As appropriation language?

Mr. PHILLIPS of California. Yes.

Mr. HOLIFIELD. Well, there are several things in the bill, I might say, that have been taken from appropriation acts and are now made into basic law.

Mr. PHILLIPS of California. To pursue the point further, section 112, which the gentleman read to me, is antagonistic to section 103 and to section 201, which is the second part of section 102, which says that the President, the Director of the Budget, shall do these things. The gentleman is interpreting the last two to mean that the Comptroller shall do it but I contend that section 112 refers to a different subject matter.

Mr. HOLIFIELD. Section 103 that the gentleman refers to, in my opinion, is an authorization for the President through the Bureau of the Budget to develop programs and to issue regulations and orders for the improved gathering, compiling, analyzing, publishing, and dissemination of statistical information for any purpose for various agencies in the executive branch of the Government.

Mr. PHILLIPS of California. That is the basis upon which the budget is made. The gathering of those statistics begins in August of each year and extends through until the presentation of the Presidential budget on the first Wednesday in January. This bill gives the President and the Director of the Budget, the authority to determine the form in which those facts shall be gathered and presented.

Mr. HOLIFIELD. That is the preliminary gathering of information.

Mr. PHILLIPS of California. That is the same as is going on now, except this bill gives authority now not to the Congress, where I hold it should rest, but to the President through the Bureau of the Budget.

Mr. HOLIFIELD. I think the President has that power now in the Bureau of the Budget. The Bureau of the Budget is the arm of the President, and he certainly has the power to issue rules and regulations for the administration of the function of the Bureau of the Budget. So there is no change there that I can see.

Mr. PHILLIPS of California. There is this change, to the extent that this increases the power, and now it may be done by the Bureau of the Budget more or less in a routine way. Now it is definitely placed in this bill in the hands of the Bureau of the Budget and taken out of the hands of the Congress and out of the hands of the Comptroller General.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Indiana.

Mr. HARVEY. It might be illuminating, and I approach this with hesitancy because of the great knowledge I know both gentlemen from California have in this field, but I would say in nailing down effectively the authority of the

Comptroller General to defining the accounting procedures of every department, that all these costs and estimates and statistics must come from those figures. So that when you start with the base of a uniform accounting system prescribed by the Comptroller General, all statistics and information must be developed from that initial information.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. HARVEY. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS of California. Mr. Chairman, I have asked for this time to continue the discussion which the gentleman from California and the gentleman from Indiana were carrying on. If the gentleman from Indiana is correct in his statement, which would be an entirely satisfactory statement to me as a budget maker for perhaps 30 years, just why are the other sections in this bill at all? Why was it necessary to put what I call antagonistic sections in the bill, if the objective was the one which the gentleman from Indiana has just discussed?

I also call attention to what may have been overlooked in the committee; it may have been entirely harmless in intent. Section 202 on page 19, line 13, recites that the balance of any money remaining in the appropriation of an agency or a section of an agency, if the establishment or section is transferred, may, with the approval of the President, be transferred to the receiving agency.

I point out, Mr. Chairman, that in the past we have been rather careful, where money is left over in any budget, that it should come back and go through the Appropriations Committee again. We are the only control the people have over the expenditure of money.

I think that was a power given the Bureau of the Budget which the committee may not have intended to give. You see, Mr. Chairman, this is a practical matter with us who work on the Appropriations Committee. Analyzing a budget is a difficult matter at best when it gets into billions of dollars. This year for the first time we operated under a budget which, in some of the agencies, approached the budget which is contemplated in this bill. I say without any hesitation that we had more difficulty this year in getting detailed information regarding the budget items than I have had in the preceding 3 years I have been on the committee. I think that should be taken into consideration. We had to send deliberately in many instances for information which this bill automatically leaves out of the budget. In addition, we had to ask the agencies for information which they themselves felt under this type of budget was no longer necessary. We may not be getting a simplified budget in this new bill; we may be getting a budget in which it is more difficult to trace the money and more difficult to protect the taxpayer.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield to the gentleman from California.

Mr. HOLIFIELD. First, I should like to address myself to the point of the so-called green sheets to which the gentleman refers.* We realize that the Appropriations Committee has had trouble during the last year and a half on that. Because of the advice of the gentleman from New York [Mr. TABER] before the Rules Committee, and in conference with the members of our committee; we do have an amendment which we will offer which will remove that difficulty you have had the last year and a half and restore it to its previous condition when the green sheets were available. We think we have covered that.

Mr. PHILLIPS of California. I am glad to hear that. That would remove that part of my objection.

Mr. HOLIFIELD. If the gentleman will now let me speak on his reference to section 202, under the Presidential reorganization plans that have been sent up to us, and more will possibly be coming in in the future, there has been a reorganization of agencies and shifting of them from one executive department to another. I recall as an example the shifting of Public Roads from the old Public Works Agency to the General Services Administration, and then the shifting of it into Commerce. This section provides that where such a function or activity is transferred or assigned from one agency within a department or establishment to another agency the balance of the appropriations will be transferred along with it. But it goes on to say in lines 19 and 20 that "said function or activity is transferred or assigned for any purpose for which the said funds were originally available."

So it does not change the use of the funds. It retains the use of the funds for the original purpose, but it merely takes care of the housekeeping point of transferring it so as to be available to the agency or the new department.

Mr. PHILLIPS of California. I respect that statement and agree with it so far as it goes, but the gentleman does not understand that we deal in big figures, and very often in lump figures.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. PHILLIPS of California. I will discuss this later.

Mr. KARSTEN. Mr. Chairman, I yield myself 10 minutes.

(Mr. KARSTEN asked and was given permission to revise and extend his remarks.)

Mr. KARSTEN. Mr. Chairman, in presenting this bill to the House I have in mind the Hoover Commission report on budgeting and accounting, in which it is pointed out to the Congress that the present governmental accounting, auditing, and budgeting methods controlled by the Budget and Accounting Act of 1921 are cumbersome, uninformative, and outmoded. More important, however, these old methods do not provide the Government, nor the taxpayer, with accurate and complete information as to revenue received and expenditures made by the Government. There is a

great need for simplification and modernization.

The provisions of this measure call for the same philosophy enunciated in the Hoover Commission report on budgeting and accounting. The bill is designed to accomplish practically all of the major objectives and recommendations made by the Hoover Commission with the exception of establishing the post of an accountant general under the jurisdiction of the Secretary of the Treasury.

Proposals to establish an Accountant General have been before the House in the past. As I recall, the last bill on this subject was in 1938. It was overwhelmingly defeated, and for very good reasons.

Historically, Congress has control of the purse strings of the Nation. As a necessary adjunct to that power, we have a Comptroller General who is an agent of the Congress to audit the accounts of the executive branch of the Government. He determines the legality of expenditures and the proper application of funds appropriated by the Congress. In fact, he is a definite part of the legislative branch of the Government.

To establish an Accountant General under the Secretary of the Treasury and superimpose him upon the Comptroller General would seriously weaken the control of Congress over appropriated funds. An Accountant General would be responsible only to the President. Congress would lose control over the Nation's purse and surrender it to the executive branch of the Government.

Because this historical legislative jurisdiction of the Congress would be seriously impaired by virtue of creating an Accountant General in the Treasury Department, this recommendation of the Hoover Commission is not included in the legislation.

For over 2 years the Comptroller General, the Secretary of the Treasury, and the Director of the Bureau of the Budget have engaged in a voluntary joint accounting program to improve and modernize Federal fiscal operations. I mention this because it is the first time in history that the three major fiscal agencies of our Government have voluntarily joined in a common effort, drawing on the technical resources of their respective agencies, to make accounting, financial reporting, budgeting, and auditing the greatest value to the Government and the taxpayer.

Under this program all have agreed that current accounting and financial reporting are proper functions of the executive branch and accounting systems should be in recognition of this principle. Auditing, independent of the executive branch, is a function of the legislative branch of the Government through the Comptroller General. Properly designed accounting systems are a vital factor to the effectiveness of independent auditing, and accounting systems should be developed as a cooperative undertaking to meet the needs and responsibilities of both the executive and legislative branches of the Government.

The bill we have before us implements by legislation the voluntary joint program which I have described. It embodies all the fundamental fiscal requirements which the General Accounting Office, the Treasury Department, and the Bureau of the Budget have agreed upon as being necessary and essential to effectuate their common goal for improving governmental budgeting, accounting, and auditing methods.

As urged by the Hoover Commission the bill provides a complete framework for bringing the budgeting, accounting, and auditing procedures of the Government up to date. It will set up a fiscal system patterned after sound commercial practices and I believe it will provide much better control over all Federal funds.

The bill contains three titles. Title I on budgeting and accounting is divided into two parts. The first, on budgeting, clarifies the Budget and Accounting Act to emphasize authority for modernization and simplification of budget procedures. It is patterned after sound commercial practices and supplements existing authority for presenting financial information in terms of functions and activities of the Government. Technical amendments to the Budget and Accounting Act are made to develop budgetary information in the manner best suited to present the financial program of the Government.

Increased emphasis is placed on the development by the President through the Bureau of the Budget of plans for better organization, coordination, and management of the executive branch. The paragraphs on statistical activities will provide better coordination in the gathering, compiling, analysis, and publication of statistical information by the executive branch. This supplements existing authority relating to these matters.

Part 2 of title I comprises a complete Accounting and Auditing Act of 1950. It embodies, as I have stated previously, the principles and objectives of the cooperative program which is being conducted under the leadership of the Comptroller General, the Secretary of the Treasury, and the Director of the Bureau of the Budget to improve the Government's accounting, financial reporting, and auditing. The provisions of this part will also facilitate the attainment of budgetary improvements provided for elsewhere in the bill. It spells out clear-cut responsibilities and duties while at the same time providing for their exercise in proper relationship and cooperation toward the common goal of making accounting, financial reporting, budgeting, and auditing of the greatest value.

The careful allocation of responsibilities is designed to produce an integrated accounting system for the Government as a whole. Emphasis is placed on the development and use of agency accounting systems as the foundation for financial control and the production of necessary financial information. Provision is made for progressive improvement and

simplification of present accounting systems. A specific basis is laid for more comprehensive and selective performance of the independent audit by the General Accounting Office to the fullest extent practicable at the site of operations. The legislation will provide flexibility that is urgently needed for putting into effect more economical and efficient accounting and auditing procedures in order to obtain maximum benefits from work now going forward under the joint accounting program and lays a solid foundation for carrying out the policies and objectives of the program.

Title II provides that requests for legislation involving authorization for appropriations shall have prior approval of the head of the department or establishment concerned before such request is transmitted to the Bureau of the Budget, to the President, or to the Congress.

Title III repeals over a hundred acts or parts of acts relating mainly to the compilation of the estimates and the furnishing of certain financial data, most of which have been superseded or rendered outmoded by other existing provisions of law. The Budget and Accounting Act of 1921 superseded practically all of these proposed repeal provisions.

The Comptroller General in the hearings before the Committee on Expenditures in the Executive Departments enthusiastically urged passage of the bill. He said that the traditional control of Congress over appropriated funds is not only maintained but is actually strengthened by the measure. I am sure that every Member of the House respects the opinion of Lindsay Warren in these matters.

The bill also has the unqualified support of the Secretary of the Treasury and the Director of the Bureau of the Budget, both of whom attended the hearings. In addition, it has the endorsement of eminent accountants who have knowledge of the Government's fiscal problems.

I would like to call attention to three committee amendments to the bill which prohibit (1) authority to adjust and transfer funds between appropriations within a department during the transitional period of conversion to the new accounting methods contemplated by this measure; (2) the 5 percent interchangeability clause affecting transfers between appropriations within a department for the purposes of economy and efficiency; (3) the authority of the President to establish reserves from appropriations when he determines that purposes intended by the Congress will be accomplished by the expenditure of amounts less than the amounts appropriated.

The committee concluded that these three provisions should be omitted from the bill and left to the Congress for consideration when annual appropriations are provided for the departments and agencies. No attempt should be made to enact these provisions into permanent legislation. They have always been peculiar to the annual appropriation acts

and should be continued on that basis. For these reasons the committee adopted the three amendments to the bill. These amendments strengthen the bill and I believe are a great improvement.

Some opposition to a few provisions of the first title of the bill on budget procedures has been voiced by Members of the Committee on Appropriations. This opposition has been based largely on a fear that the Appropriations Committee might be deprived of certain information relative to salaries paid Federal personnel. In the past it has been customary to submit with the budget, statistical detailed information showing justifications for Federal salaries which has been known as "green sheets." I have no desire to deprive the Congress of any information it is entitled to receive and I intend to propose an amendment which will provide that this statistical information must be furnished along with the budget in order that it will be available to members of the Appropriations Committee.

I am also going to offer some other minor amendments to the budget section of the bill which have been suggested by members of the Appropriations Committee. I have the assurance of the Bureau of the Budget as well as the Secretary of the Treasury and the Comptroller General that these minor amendments will not in any way impair the purpose and objectives of the bill, and I believe the few changes I am suggesting will meet the objections that might otherwise be raised. I hope these minor amendments will be adopted.

This legislation is tremendously important to the three fiscal agencies of our Government in aiding them to take positive action in modernizing and simplifying Federal fiscal requirements.

Not only do I urge passage of the bill because its enactment is of the utmost importance to the progress the agencies will achieve in discharging their respective obligations and duties, but I earnestly urge passage of the bill because I believe that it will provide a solid basis for furnishing the Congress and the President the information and means of control they need for the efficient management of our enormous Federal fiscal structure. Just as important, however, if not more so, it will provide the taxpayers with full disclosure of the financial operations of the Government.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. KARSTEN. I yield.

Mr. WIGGLESWORTH. Looking at the committee report and the present law and the proposed changes in that law, I notice that under section 201 (e) of the present law—

Mr. KARSTEN. Are you talking about the bill now?

Mr. WIGGLESWORTH. Of the present law. That apparently is to be deleted.

Mr. KARSTEN. I suppose the gentleman is reading from the report.

Mr. WIGGLESWORTH. That section of the present law reads as follows:

The amount of annual permanent and other appropriations including balance of

appropriations from prior fiscal years available for expenditure during the fiscal year in progress as of November 1 of such year.

Mr. KARSTEN. That is amounts which have already been obligated; is that what the gentleman is talking about?

Mr. WIGGLESWORTH. No; I am talking primarily about annual and permanent appropriations, the necessity for reporting which to the Congress would seem at first glance to be deleted by the striking of that paragraph from existing law.

Mr. KARSTEN. The balances the gentleman speaks of are obligated balances.

Mr. WIGGLESWORTH. No; these are permanent appropriations that go on year after year subject to modification by the Congress.

Mr. KARSTEN. I may say to the gentleman that the President in submitting his annual report is required to submit requests for these appropriations in the budget. They will be in the budget and are covered by sections E, G, and H of the bill. Under these provisions full information with respect to existing and proposed appropriations will be shown for the budget year, for the year in progress, and for the fiscal year last completed.

Mr. WIGGLESWORTH. What I want to get a very clear understanding on is that the gentleman as chairman of the subcommittee feels that there is no intention to relieve the President of reporting those annual and permanent appropriations in the future just as he has in the past.

Mr. KARSTEN. No; it would be incumbent upon him to do so under the provisions of the bill.

Mr. WIGGLESWORTH. Now I wish to ask the gentleman a similar question in respect to section 204 (b) of the present law which provides that—

Estimates for lump-sum appropriations shall be accompanied by statements showing in detail the manner of expenditure—

And so forth.

Mr. KARSTEN. This information will be furnished as it has in the past. I am going to offer an amendment which will provide for this. I have discussed the matter with members of the Committee on Appropriations and it is at their suggestion I am proposing the amendment.

Mr. WIGGLESWORTH. There is no intention on the part of the committee to relieve anybody of the responsibility of making the report.

Mr. KARSTEN. The Appropriations Committee has to analyze these requests. It is the desire of the Committee on Expenditures to see that members of the Appropriations Committee have full information in order that they can intelligently analyze these requests for appropriations. That is fundamental. I believe the members of the Executive Expenditures Committee see eye to eye with the members of the Appropriations Committee on this matter.

Mr. WIGGLESWORTH. I merely wanted to get both those points clear in the Record.

Mr. HARVEY. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, I have been over the budget features of this bill as carefully as I have been able to in the time I have had. I have felt that there should be certain amendments and have taken them up with the committee and with the Rules Committee.

I wish to ask the gentleman from Missouri [Mr. KARSTEN] at this time if the committee has adopted and instructed the gentleman to offer as committee amendments the several amendments that he and I talked over.

Mr. KARSTEN. I cannot speak for other members of the committee, but I have the assurance that they will agree to the amendments that we discussed up in the Rules Committee.

Mr. TABER. And the gentleman intends to offer them.

Mr. KARSTEN. Yes; I intend to offer them.

Mr. TABER. I would think that this bill with the four amendments that the gentleman from Missouri told us he intended to offer, eliminating certain provisions of the bill, would make the bill an improvement over present law. Those amendments would do away with the requirement that it be a performance budget. It would also require the green sheets to be furnished. With that we can count upon a budget which would give the Appropriations Committee an opportunity to find out what it needs, with reference to the things that will come before it. I think I can see no objection to the bill.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Missouri.

Mr. CANNON. I desire to join in congratulating the gentleman from Missouri [Mr. KARSTEN] on the care and effectiveness with which this bill has been prepared. The bill fills a long-felt need. May I also express appreciation of the consideration shown the Committee on Appropriations in formulating the bill and the opportunity afforded the committee to study the subject and collaborate with him in drafting the measure? It modifies a number of defects in the law which have long needed attention and is one of the best pieces of legislation introduced during this session of the Congress.

Mr. TABER. I thank the gentleman. I do not think I have anything more to say except that the members of the committee have been most cooperative in trying to arrive at a bill which would accomplish what we need. I am assured by the Comptroller General, and I think I ought to say this, that he expects as a result of the accounting provisions that are placed in here to be able to give the Appropriations Committee more detailed information as to the operations and spendings of the various bureaus and agencies than we have ever had before from the Budget or from the departments, and that he will be able to keep up to date with his audit, something that has been absolutely impossible under the old method of procedure. I hope that

these things will result in great improvement and in savings.

Mr. HARVEY. Mr. Chairman, I yield 3 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES. Mr. Chairman, I want to commend the members of the committee in charge of this legislation for their diligence and their efforts in bringing this measure, to provide a Budgeting and Accounting Procedures Act, to the House for its approval.

I am glad to be advised that the measure has at least 90 percent of the recommendations of the Hoover Commission.

I am particularly interested in being assured that this legislation has the approval of the Comptroller General, Mr. Lindsay Warren. The Comptroller General is the official who will have, more than anyone else, to do with carrying out the intent and purpose of this proposed legislation. Lindsay Warren commands the respect and confidence of the Membership on both sides of the aisle. I feel that so long as Lindsay Warren is in charge of the Comptroller General's Office and is permitted to exercise the authority that we expect to be granted in this bill, we will have better conditions in respect to accounting and budgeting in our Government.

Mr. KARSTEN. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the distinguished chairman of the subcommittee in charge of this measure, the gentleman from Missouri.

Mr. KARSTEN. The bill has the unqualified support of the Attorney General. He enthusiastically urged the committee to pass it because he said it will provide him with the tools and implements he needs to carry out this program. That appears on page 17 of the report.

Mr. REES. I thank the gentleman for his statement. I am glad to know also that it has the approval of the Secretary of the Treasury, Mr. Snyder. It is good to observe that it has the approval of the committee on both sides of the aisle, and I am especially gratified to know that the very hardworking gentleman from New York [Mr. TABER], approves the bill provided certain amendments he has suggested are adopted. I know of his deep concern in securing improved budget and accounting procedures in our Government. I hope the approval of this legislation will bring about more efficiency and more economy than we have had in the past. I believe that if the intent and purpose of this legislation is carried out, we can have some degree of economy and efficiency.

The House Committee on Post Office and Civil Service, of which I have the honor to be a member, has shown a deep interest in legislation that would bring about more efficiency and the cutting out of a lot of duplication and multiplication of effort now being carried on in Government.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from Minnesota, who is also a member of the Committee on Appropriations, who has given a great deal of attention

to the problems involved in this legislation, and who has been outstanding in his demand for economy in Government expenditures.

Mr. H. CARL ANDERSEN. While the gentleman from Kansas is on the floor, I want to compliment him for the efforts he made the other day in preventing the construction of a \$15,000,000 building which was entirely unnecessary at this time.

Mr. REES. That, of course, is separate legislation. I thank the gentleman for his comment. I should add the gentleman was also active in support of my efforts.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from Iowa who is also one of the hardworking and effective members of the Appropriations Committee of the House.

Mr. JENSEN. I do want to say to the gentleman that the reason it appears that most all we members of the Committee on Appropriations are for this bill is for the simple reason that we are quite sure that it cannot make matters worse than they are now in the Accounting Office and the way the budget is presented to the Committee on Appropriations. We certainly feel that there is no way this thing can go after this bill becomes law than the good way, because it is just as bad now as it possibly can be.

Mr. REES. I trust that the approval of this legislation by the Congress will bring about a little more efficiency and economy that is so much needed in our Government, especially at this time.

Mr. JENSEN. We hope it will.

Mr. REES. And I know about the concern of the gentleman from Iowa with this problem as an active member of the committee, and he has made a great contribution to Congress and to the country.

At this crucial hour and in view of the impending crisis, this Congress ought to reappraise and reexamine its expenditures and authorizations with a view of cutting out all unnecessary non-defense charges against our Government. I believe as much as \$5,000,000,000 could be saved from expenditures already appropriated and authorized if we could get the nondefense agencies to cooperate. It ought to be done now.

(Mr. REES asked and was given permission to revise and extend his remarks.)

Mr. HARVEY. Mr. Chairman, I yield 3 minutes to the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. Mr. Chairman, I take this time to ask some questions to see if I can get some information. I agree with the gentleman from Iowa [Mr. JENSEN] that all we can do is hope that this will make the situation better. I was glad to have Mr. TABER's reassurance that this measure may help. But, in looking over the bill and the report I would like to ask someone to tell us where this new legislation is going to bring economy in Government, where it is going to bring us greater efficiency, and how it will solve a practical situation with which the members of the Committee on Appropriations are faced.

For instance, coming in as agency heads do, with a lump-sum figure, we ask some details about "What are you going to use that money for?" They break down a list of items and say, "We will spend it for this, we will spend it for that, and we will spend it for this other." The next year when they come back in they have more requests, and lo and behold we find the same items, and we say, "Well, gentlemen, that is what you said you were going to spend the money for last year. What did you spend it for?" "Well, we spent it for something else." Is there anything in this bill that will prevent anything like that happening?

Mr. KARSTEN. Mr. Chairman, if the gentleman will yield, I think very definitely this bill will help correct the situation that the gentleman mentioned.

Mr. SCRIVNER. Then we find another situation arising. For instance, in the 1949 appropriations we granted a certain sum of money for a certain activity. All of that money was not used. With some of remainder they started an entirely new activity about which they said nothing when they previously appeared before the committee. Now, is there anything in this bill that will stop that?

Mr. HOLIFIELD. Mr. Chairman, if the gentleman will yield, we have tried to correct that situation, and in section 202, on page 19, we say:

When under authority of law a function or an activity is transferred or assigned from one agency within any department or establishment to another agency in the same department or establishment, the balance of appropriations which are determined by the head of such department or establishment to be available and necessary to finance or discharge the functions or activities so transferred or assigned may, with the approval of the President, be transferred to, and be available for use by, the agency to which said function or activity is transferred or assigned for any purpose for which said funds were originally available.

Mr. SCRIVNER. That will not correct the situation about which I have been talking. This section has nothing to do with that for transfer is not involved. For instance, we can take an activity in any one of the departments. Maybe they have asked for \$100,000. They use only \$75,000 for that activity, so they have \$25,000 left, and they start something entirely new, about which nothing has been said to the Appropriations Committee or the legislative committee, yet under the general power they claim the right to do it.

Mr. HOLIFIELD. That is illegal under present basic law, if I am not mistaken, and we affirmatively say here that the transfer and use of the funds shall be for the purpose originally intended.

Mr. SCRIVNER. There is no transfer involved in this. They just have the money left, they did not spend it all, so they start something new. Then they come to us and say, "We have to have \$25,000 more this year because this program has already been started, it is already under way."

Mr. HOLIFIELD. I am under the impression that there is a basic law in re-

gard to the expenditure of funds for the purpose which Congress intends.

Mr. SCRIVNER. But they do it. I trust this bill will stop that practice.

Mr. HOLIFIELD. Certainly we are not changing the basic law. The Comptroller General has the authority to disallow such expenditures.

Mr. KARSTEN. Mr. Chairman, I yield 4 minutes to the gentleman from North Carolina [Mr. BONNER].

Mr. BONNER. Mr. Chairman, for 20 or 30 years there has been discussion whether the function of prescribing accounting systems of the Government should be in the executive or legislative branch. The framers of the Budget and Accounting Act of 1921 placed this function, though not on a complete basis, with the Comptroller General of the United States, an agent of the Congress. This gave him a positive means of seeing that the accounting machinery provided an effective basis of control over the expenditure of public funds. Repeated attempts were made to shift this function from the legislative to the executive branch on the ground that accounting was an essential tool of management. These were vigorously resisted and defeated by the Congress on every occasion as an unwholesome encroachment on congressional control of the public funds.

There is no question that the development of accounting in the Government, from the standpoint of usefulness to management, has lagged. This is attributable at least in part to the fact that in arguing about where the functions should be performed not enough time and energy was devoted to getting together and getting the accounting job done properly from all viewpoints involved. There should be no question in anybody's mind that accounting needs to be developed and established in the Government both from the standpoint of being a useful tool to good management and to provide a sound structure for control of the public funds and full disclosure of the results of operations—in individual agencies and for the Government as a whole.

About 3 years ago the Comptroller General, representing the legislative branch, and the Secretary of the Treasury and the Director of the Bureau of the Budget representing the executive branch, got together and organized a joint program to improve accounting throughout the Government. This program recognized the multiple purposes accounting must serve and was dedicated to the idea that legislative and executive functions in connection therewith had to be performed in proper relation. Notable progress has been made as a result of the cooperative work done under that program. Reports of that progress were filed in the hearings on this measure. The present bill recognizes the need for placement of responsibility in the executive branch for the establishment and maintenance of adequate accounting systems. At the same time it retains in the Comptroller General authority to prescribe the basic accounting requirements. It thus maintains in an agency of the Congress the

means for making the accounting structure of the Government serve as a basis for effective control over the funds which Congress provides and as a means for seeing to it that the wishes of the Congress are carried out and that there will be full disclosure of the uses of public funds. The allocation of functions between the Comptroller General, the individual executive agencies and the central fiscal agencies in the executive branch is the result of actual experience and extensive work under the joint accounting program.

The Comptroller General is given the authority and responsibility by this bill for prescribing basic principles and standards to be observed by the executive agencies in connection with their accounting systems, after considering their needs. The Comptroller General's requirements will provide a basic framework for the Government's over-all accounting. They will, however, enable the individual agencies to develop their detailed accounting procedures so that they will most effectively serve their management needs and be adapted to the particular kind of operations for which they are responsible. It is obvious that these two sets of responsibilities must be exercised in proper relation to each other. In recognition of this the bill provides that the Comptroller General shall cooperate with the executive agencies in the development of their accounting systems. When agency accounting systems comply with the Comptroller General's basic requirements, they will be approved by him. Systems in operation will be reviewed by the Comptroller General, and the results of such reviews will be made available to agency heads, the Secretary of the Treasury, the Director of the Budget, and the Congress.

Effective provision is also made for tying in accounting in each executive agency with the central requirements of the executive branch. The Comptroller General, in prescribing principles and standards and related requirements, is required to consult with the Secretary of the Treasury and the Director of the Bureau of the Budget. Likewise, such basic requirements must provide for suitable integration between agency and Treasury accounting. Also, the Comptroller General is required to cooperate with the Treasury in the setting up of the Treasury's system of central accounting and reporting. In these ways the bill recognizes the need, not sufficiently satisfied under present conditions, for accounting in all agencies to form part of an integrated pattern which will make it possible for the Treasury Department to readily prepare over-all statements on the financial operations and condition of the Government.

These provisions represent an extension of the principles of the Federal Property Act of 1949. The Comptroller General is directed to continue to exercise the authority given him by that act with respect to property accounting, and, to the extent he deems necessary, the authority he has under section 309 of the Budget and Accounting Act of 1921 over

appropriation and fund accounting. Any such exercise of authority is to be consistent with the pattern laid out in this bill, of consultation with the other central fiscal agencies, and consideration of the needs of all the executive agencies. The Comptroller General will thus be able to exercise all this authority over accounting systems in terms of prescribing principles, standards, and basic requirements, and cooperative development of systems. He will not have to go down to the point of minor procedural details in those cases where the agencies assume their proper responsibility as outlined in the bill, but will be able to exercise a guiding hand over the general development of a sound accounting structure, in all its phases, for the entire Government.

Mr. Chairman, it is certainly very pleasing to both sides of this aisle, I am sure, and to me as a member of this committee, to see cooperation on the part of the leadership on the left side and the leadership on the right side in endeavoring to work out here a piece of legislation that will be satisfactory to all.

The chairman of the subcommittee that held the hearings on this bill was certainly fair in inviting and giving notice of the hearings to all who desired to appear before the committee and giving them ample time. There appeared before the committee the Secretary of the Treasury. The Budget was represented, as well as the Comptroller General. All were unanimous in their approval of the bill and in the fact that the bill was satisfactory to each department.

It so happens that on the Expenditures Committee there are very fine men who are the ranking members of the committee on both the Republican side and the Democratic side. After the hearings were completed and we went into executive session, three sections of the bill were questioned. The gentleman from Michigan [Mr. HOFFMAN], who is a diligent worker and a splendid member of the committee, expressed himself to the effect that if sections were deleted it would be perfectly satisfactory to him. The Bureau of the Budget had some question or objection to one section. So the committee deleted all three sections. Then, no one else desiring to appear before the committee and no one being in opposition to the proposed legislation, the bill was reported favorably.

After that it came to the attention of the committee that the distinguished gentleman from New York [Mr. TABER], for whom this House has the highest regard and respect, had certain ideas about changes in the bill. So anxious was the chairman of the subcommittee to meet all objections and get a piece of legislation that would do the job and meet the objections of both the majority and minority that he agreed with the gentleman from New York [Mr. TABER] to insert certain amendments and to make certain changes in the bill, and particularly to provide the worksheets that come down from the various departments and the Budget.

I have noticed distinguished members of the Committee on Appropriations have taken active part on the floor in asking questions about the bill. That is a wholesome thing. I have watched the gentleman from Massachusetts [Mr. WIGGLESWORTH], whom I admire greatly, make his observations. Now that the bill is all clear, I want to say this, and it is the first time I have had the opportunity or taken the opportunity with reference to the kind remarks that are continuously made here about a very close friend of mine—a very dear friend of mine—a splendid public servant. Those remarks are most pleasing to me, coming from the type of men that they do on both sides of the aisle in the House of Representatives, men who are respected throughout the Nation.

The Comptroller General of the United States is a fine man; he is a great citizen; he is a great leader; he is a true American; and it is pleasing to me to hear the high compliments that are paid him on account of my association with him since boyhood and also by virtue of my working with him for 16 years and then succeeding him in the House.

Mr. Chairman, I had prepared a statement to deliver on this legislation, but after seeing the unanimous agreement that we have reached on both sides, I have come to the conclusion that the less said about the bill after agreement had been reached on it would be the best.

I am delighted to have had a part in working out the agreements that we have reached. I admire the manner in which the leading minority member of the Committee on Appropriations appeared before the Committee on Rules and expressed himself about the bill. As it now stands, it is my opinion that we will have a piece of legislation which will enable the Comptroller General and the other officials of the Government to make a clearer and more rapid report to the Congress of the expenditures of funds, and save the taxpayers of America many dollars.

Mr. HARVEY. Mr. Chairman, I yield myself the remaining time.

Mr. Chairman, the budget and accounting processes of our Federal Government need an overhauling and I think this is an example of a job that has been long overdue. One of the most frequent criticisms I have heard, even long before coming to Congress, is with reference to the tremendous amount of red tape involved in the fiscal processes of our Government. I realize the Government of the United States has grown and that it is never going to be a simple process, but I do think it could be much more efficient and economical. We have had the example of the Hoover Commission giving a great deal of study to this particular program. H. R. 9038 does conform almost entirely, while not entirely, to the Hoover Commission recommendations. I quote from their statement:

The citizens committee—

Which was a committee set up to promote the enactment of the Hoover report—

The citizens committee does not want to oppose major reorganization measures which

are only in partial accord with the Commission's recommendations or which differ in only one or two particulars.

And to further quote:

The task of the citizens committee is to analyze reorganization measures and to point out how they differ from the recommendations of the Hoover Commission.

Now listen to this carefully:

The major difference between the recommendations of the Hoover Commission and that of this bill is that this bill places the authority for the accounting procedures and auditing in the Office of the Comptroller General, an agent of the Congress, rather than in a new office which the Hoover Commission suggested be called the Accountant General to be placed in the Department of the Treasury.

The Congress has been, and I think rightly so, very zealous of the fact that the Office of the Comptroller General remain an arm of the Congress. Corroborating what my good friend the gentleman from North Carolina [Mr. BONNER] has said, Lindsay Warren, the present Comptroller General and former Member of this House, has been an excellent administrator. He has saved the country millions of dollars. Even more important, through advice to the various Federal agencies concerning proposed expenditures, he has carried out the intent of the Congress.

Without impugning the motives of either the author of the bill, because he has been very cooperative, or the chairman of the committee, I do feel that the bill was reported out with insufficient hearings. The bill was drafted, according to the testimony—at least the basic philosophy of the bill—by the Secretary of the Treasury Snyder, Budget Director Lawton, and Comptroller General Warren. They were the only witnesses who were called to testify upon the bill. It would seem to me that members of the Appropriations Committee who are so intimately concerned with this measure should have been notified and given an opportunity to present their views. Congress should not lightly consider legislation that will have far-reaching effects upon fiscal affairs. Many of the phases of this bill are noncontroversial, and I think the gentleman from Missouri [Mr. KARSTEN] is to be congratulated upon presenting the legislation. I want also to suggest that he has been very cooperative in accepting amendments.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. BONNER. With respect to reporting the bill out, of course it happens I made the motion to report the bill out. I have the highest regard and respect for the gentleman from Indiana. So much so that he will remember once on a subcommittee, of which I am chairman, a controversy arose about a matter in his State, and, demonstrating my confidence in respect to the ability of the gentleman, instead of sending a three-man subcommittee to Indiana, I sent the gentleman, who is now speaking, to Indiana and told him to come back and whatever his decision was about the matter would be adopted by

the committee. So I certainly tried to pay my highest respect and show my confidence in the gentleman.

The point I want to make, the three gentlemen you spoke of are the only ones who appeared to testify about this legislation before the committee. I asked the question whether or not anybody else wanted to testify, and there was no one else there. I took it for granted that the matter had been on the committee calendar that hearings would be held, and that if anybody was opposed to any portion of it they would certainly have expressed themselves. As soon as we found out that the gentleman from New York [Mr. TABER] had some views and observations about it and desired to change certain sections, we met his objections.

Mr. HARVEY. The gentleman interrupted me before I had an opportunity to complete my statement, because I intended to say that even in spite of this fact Mr. KARSTEN and the committee had been cooperative in accepting proposed amendments to make the bill a better and more satisfactory piece of legislation.

I thank the gentleman for his contribution.

A performance budget would be simpler, for the usual breakdown of the budget into personnel, supplies, and travel expenses of any given department or agency would be eliminated. The cost would be given in lump sum. The costs would be broken down, if requested, into so-called units, such as average cost for maintenance and travel of employees. The breakdown, however, would not give the subcommittees of the Appropriations Committee the necessary and vital information. For example, in considering the budget for any given segment of an agency or department, one of the most important estimates is the number of employees contemplated, and the rate of pay. This figure—and I am speaking to members of the Appropriations Committee—you certainly would like to have the figures in any given segment for the number of personnel involved to compare with the previous year and the year before that. Without a breakdown into the number of personnel you are not in a position to give a constructive appraisal of the appropriation bill. I think that has been corrected in the so-called "green sheet" that will be sent up, and which the gentleman from New York [Mr. TABER] has suggested as a method of meeting that point.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield at that point?

Mr. HARVEY. I yield.

Mr. HOLIFIELD. We were very glad, as the gentleman said, to have the gentleman from New York [Mr. TABER] make this suggestion, because we all respect him and we know that he has the job of working with the Appropriations Committee and he needs every bit of information that is available. We went to the trouble of asking the Bureau of the Budget to give us an estimate of how much it would cost them to make these green sheets available. It was a very modest sum, and all of the mem-

bers of the subcommittee felt that that expenditure would be more than justified in getting this valuable information to the members of the Committee on Appropriations.

Mr. HARVEY. Yes; I am glad the gentleman from California has re-emphasized that because I think it will very possibly allay some of the suspicions that the members of the Appropriations Committee may have had that the performance budget would not give them the facts that they should have in considering appropriation bills.

Let me say also that the author of the bill has been very cooperative in revising the language of the bill so that the so-called performance budget will not be mandatory. The amended provision will take care of that. We all recognize the fact that the performance budget even as the omnibus appropriation bill, is purely experimental and if it should not prove as workable as we hope and think it will, we would certainly want to have an optional provision so that we would not be, as he expressed it, stuck with it.

Some of the desirable objectives of this legislation are to streamline the accounting and auditing procedures; and these features are in line with the Hoover Commission report. The powers given to the Comptroller General would center responsibility for accounting to an extent that is lacking at present. One significant feature that should produce great economy is the proviso that would eliminate the necessity of sending millions of vouchers and supporting evidence to Washington. The auditing could be done just as well at various substations at a great saving. Mr. Warren has also testified that the warrant system is outmoded, no longer serves a useful function, and should be abandoned. Also that many accounts his office is required by law to carry are no longer necessary and only serve to increase the workload in his office. Mr. Warren, however, had no estimate as to the number of such accounts subject to elimination. In the hearings I asked him whether it would mean 2, 20, or 500. Mr. Warren replied:

We would have no idea in the world of that until we got the figures.

The following questions and answers followed on this subject:

Mr. HARVEY. To go ahead regarding this section 116, would you have any estimate as to the number of ledger accounts that would be eliminated if the authority were given to the Comptroller General?

Mr. WARREN. None whatever.

Mr. HARVEY. Would it be 2, 20, or 500?

Mr. WARREN. We would have no idea in the world of that until we got the figures.

Mr. HARVEY. It could be as many as 500, could it?

Mr. WARREN. Yes.

Mr. HARVEY. How many ledger accounts do you carry?

Mr. WARREN. They would run up to the thousands.

Mr. HARVEY. Could you give me an example of one that might well be eliminated under this?

Mr. WARREN. Mr. Weitzel, I wish you would give an example of that.

Mr. WEITZEL. Mr. Harvey, one of those would be limitation accounts which are kept

in the General Accounting Office, where there is a limitation of so many dollars under a particular appropriation, for example, on how much can be spent on personal services in the District of Columbia. We keep in the General Accounting Office a limitation account for each of those, and there are hundreds of those. The agencies keep those accounts, and we have found from long years of experience that the effective way of auditing to see whether the agency keeps within those limitations is right within the agency itself.

We have had a system under which the agencies furnish us information from their records, which we post on those ledger accounts. But we have no way of verifying whether that information is correct without inspecting agency accounts.

I do not want to discount the value of that under the present system, but as we go out and work with the agencies in setting up proper controls and prescribe certain related accounting-system requirements and make comprehensive audits of the agencies right at the site of their operations, that is the place where we can check whether they are keeping within their limitations.

In that event, the limitation accounts in the General Accounting Office may not only become nonessential but wasteful.

The Citizens' Committee for the Hoover Report says that this bill gives the Comptroller General even greater powers than he has previously held, in that he is empowered to prescribe accounting practices for branches of the executive. With this objection, I do not hold. It would seem to me that some one person in authority should have the right to prescribe a uniform accounting system so that the auditing will be easier. After all, accounting is not a policy decision, but a mechanical device to keep a record of expenditures. There can be no valid reason for the many Federal agencies to use different types of systems.

Sections 201 and 203 of the bill give great powers to the President to modify appropriations made by the Congress, and I think it was agreed that these sections would be stricken by committee amendment. We were assured by the Comptroller General's testimony that this problem would be adequately covered by section 1111 of the omnibus appropriation bill. By the same testimony section 103 could be eliminated. This section gives great leeway to the various agencies in making the transition to the performance budget.

My greatest disappointment in this legislation is that it does not promise to alleviate the greatest evil of the fiscal affairs of our Government, which is deficiency appropriations. There are undoubtedly circumstances under which an agency would find added duties or unexpected costs would make its appropriation inadequate. But far too often an agency simply does not take seriously the will of Congress, goes right ahead spending and hoping that Congress will bail them out rather than close down the services. None of the three who testified, Mr. Lawton, Snyder, or Warren offered that this bill would help alleviate this condition, except under certain circumstances when an approaching deficiency could be detected sooner.

In conclusion may I suggest that members of the Appropriation Committee give this legislation their careful scrutiny for

their committee is most intimately involved. This committee has a very great function to perform for the Congress and taxpayers. It is a very difficult assignment, involving hours of labor, too often unappreciated. It is my hope that this legislation will prove beneficial to the Appropriations Committee, the Congress, and to the people.

(Mr. HARVEY asked and was given permission to revise and extend his remarks.)

Mr. KARSTEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. BECKWORTH].

(Mr. BECKWORTH asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. BECKWORTH. Mr. Chairman, on tomorrow some very important agricultural legislation will be considered by the House.

As a part of my remarks, and for the information of the House, I wish to include the following letters and statistics:

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
FIELD SERVICE BRANCH,
Tyler, Tex.

Representative LINDLEY BECKWORTH,
Member of Congress,
Washington, D. C.

DEAR SIR: This is written to acquaint you with the thoughts of the farmers of Smith County in regard to the very small cotton allotments that have been given to the farms that were classified as new growers, due to the fact that they had no cotton history for the years of 1946, 1947, and/or 1948. I am sure that you will be hearing from a certain percent of them and thought information from this office would be of assistance in answering their inquiries.

As you well know, the allotment for this county was very small and inadequate considering the trend back to cotton. Our allotment being only 14,500 acres for 1950, where it was 76,000 acres prior to the war.

The county committee (composed of farmers) were allowed, under the law, to set aside a certain percent of the county allotment for reserves. This was done, but reserves of sufficient size couldn't be set up to give the desired relief. In fact, we had many complaints from farms that varied greatly in size and in the amount of acres allowed for cotton.

We have just mailed to the farmers that made application as new growers their allotments. The reserve that could be set aside for this group was 607.8 acres, for this acreage we had 450 applications. The allotments being so small that many say that they can't afford to fool with it, to get ready to plant and cultivate such a small crop would cost more than could be realized out of the crop. These allotments varying in size from 0.01 acre to 5 acres, and to get a 5-acre allotment it had to be a very large farm.

The people of this county, who were looking to cotton for a cash crop, something that they could depend on, are certainly dissatisfied with the present cotton-allotment law. It is their belief, everyone that has expressed their opinion to me, that they as individuals and Smith County as a whole have been discriminated against. The way to make a living for their family is a thought and a question mark forever present in the minds of the small farmer of this county and this section of the State of Texas.

This letter is not written in criticism but merely to convey to you the feelings of the farmers of this county.

Yours truly,

DAN G. OWEN,
Secretary, Smith County PMA.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
Canton, Tex., March 20, 1950.

O. L. HAPTONSTALL,
Fruitvale, Tex.

DEAR SIR: This is to advise that the county committee finds it necessary to set up a zero allotment on the above farm serial number. Since we had 600 applications for new grower allotments and only 427.7 acres of cotton, you can see that the average allotment would have been 0.7 of an acre if all approved for allotments. The county committee approved 257 farms for new grower allotment with an average allotment of 1.7 acres. In view of the above facts we cannot see that you have been done any disservice by disapproval of your application.

Any appeal from the above must be made within 15 days from the date of this notice.

Your application was disapproved for one of the reasons set out below.

1. Work stock and equipment not available.
2. Has a cotton allotment on another farm.
3. Cotton allotment not necessary to livelihood of operator.
4. Land not adapted to production of cotton.
5. Allotment which could be set up too small to be of possible benefit to farm operator.

R. W. BROWN,
N. L. CHEATHAM,
J. M. STEPHENS,
County Committee, Van Zandt County
PMA.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
Canton, Tex., April 11, 1950.
Hon. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR MR. BECKWORTH: The county committee has requested that I give the following answers to the questions asked in your letter of April 3, 1950.

1. Six hundred and forty-two farms received 5 acres or less in Van Zandt County.
2. Approximately 600 farmers made application for new grower allotments.
3. There were 427.7 acres of cotton to distribute to new grower farmers in this county.
4. Each farm which received an allotment received from 0.4 acre to 4.5 acres. The allotments averaged 1.7 acres.
5. It was necessary that a considerable number be given a zero allotment.
6. The committee regards approximately 70 percent of the applicants genuine farmers.

Very truly yours,
JAMES C. HODGE,
Secretary, Van Zandt County PMA.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
Decatur, Tex., July 17, 1950.
LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR MR. BECKWORTH: The information shown below was requested by you under the dates of May 8 and May 16. We regret very much that we were unable to furnish you with this information sooner. The Wise County PMA committee, composed of G. A. Collier, Chico; C. W. Slay, Rhome; W. D.

Phillips, Decatur, has asked me to express to you their appreciation of your efforts in behalf of the small cotton and peanut producers.

We have 601 cotton producers in Wise County; 170 of these received less than 5 acres of cotton; 27 new producers applied for acreage. There was 90.5 acres to distribute to these new producers; 72.3 acres of this was distributed. None obtained zero acres. We consider 100 percent of these as genuine farmers. The recent cotton amendment helped our new producers to the amount of 75.3 acres. It helped the old ones to the amount of 338.2 acres. Ninety-five percent of our producers receiving less than 5 acres probably will grow no cotton; none will cease to farm for themselves.

We have 928 peanut producers in Wise county. Ten is the least number of acres a farmer can afford to economically grow. Four hundred and sixty-two producers received allotments of less than 10 acres. Sixty-five producers received allotments less than 2 acres. All of the producers receiving allotments of less than 2 acres will cease to grow peanuts. None will cease to farm for themselves. Thirty-six producers applied for peanut acreage in 1950. The new producers allotments were received from the State reserve. These 36 new producers received 130.1 acres.

Yours very truly,
F. P. MARTIN,
Secretary, Wise County PMA.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
Goliad, Tex., May 10, 1950.
Hon. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR MR. BECKWORTH: In reply to your letter of May 6, 1950, we are listing below what we consider is an accurate estimate of the information you desire.

Number of cotton producers in county: 381.

Farmers receiving less than 5 acres of cotton: 49 old growers and 27 new growers. Number of new producers applying for cotton acreage: 55.

Acreage available for new producers: 150. Acres allotted to each new producer: An average of 4.2 each.

Number receiving zero acres: 19. What percent regarded as genuine farmers: 100 percent.

Recent cotton amendment helped new producers by how many acres: None.

Helped old growers by how many acres: 1,206.7.

Number producers receiving less than 5 acres that will grow no cotton: 5 percent.

Number producers who will cease to farm for themselves: None.

R. J. ARNOLD,
Chairman, Goliad County PMA Committee.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING ADMINISTRATION,
Quitman, Tex., May 29, 1950.
Hon. LINDLEY BECKWORTH,
New House Office Building,
Washington, D. C.

DEAR CONGRESSMAN: This is in reference to your letter, dated May 13, 1950, to the Wood County PMA Committee.

We have approximately 400 peanut producers in the county. The least number of acres each producer can afford to grow is 2 acres. We have about 150 producers who received allotments of less than 2 acres. Of those growers having allotments of less than 2 acres, there will be about 25 or 50 who will cease to grow peanuts. I do not

believe there will be any to cease to farm for themselves. The number of new producers were 35 and the number of acres distributed was 21.4 acres and the average to each was 0.6 of an acre.

The excess acreage (for oil) up to the 1947 picked and and threshed will help at least 150 or 200 producers in Wood County. (I am told today, June 5, 1950, by Mr. Akers, that peanuts for edible purposes are worth \$200 to \$220 a ton and for oil purposes from \$100 to \$120 a ton.) Part added in parentheses by Lindley Beckworth.

Hoping the above is the desired information, I am

Yours very truly,

ROY E. BARNETT,
Secretary, Wood County PMA Committee.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
Quitman, Tex., April 10, 1950.

HON. LINDLEY BECKWORTH,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN: This is in reference to your letter of April 5, 1950, to the county committee.

(1) The number of farmers receiving 5 acres of cotton or less was 1,248. (2) The number of new producers that applied for allotments was 340. (3) The acreage that was available to distribute among the new producers was 300. (4) Each producer received from 1 acre to 1.1 acres. (5) The number of zero allotments was 10. (6) The percent of new producers regarded as genuine farmers was 83 percent (300) applications.

The number of applications left from item 2, less item 5, less item 6, consisted of 30 applications that did not meet the necessary eligibility requirements.

If you desire further information please advise.

Yours very truly,

ROY E. BARNETT,
Secretary, Wood County PMA.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
De Ridder, La., May 22, 1950.

MR. LINDLEY BECKWORTH,
Congress of the United States,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN BECKWORTH: In reference to your letter of May 18, 1950, listed below is a tabulation to your questionnaire.

Thank you for your interest in peanut and cotton farmers.

Very truly yours,

T. SHELBY OAKES,
Administrative Officer, Beauregard
Parish Production and Marketing
Administration.

Peanuts, 1950

| | |
|---|-----|
| Number of peanut producers..... | 67 |
| Number of peanut acres he can economically grow..... | 5 |
| Number of producers received allotment less than 5 acres..... | 60 |
| Number of producers received allotment less than 2 acres..... | 47 |
| Number of producers received less than 2 acres that will cease to grow peanuts..... | 25 |
| Number of producers that will cease to farm for themselves..... | -- |
| Number of new producers applied for allotment in 1950..... | 3 |
| How many acres did you have to distribute..... | 5.9 |
| Approximately how much did they receive (all 3)..... | 5.9 |

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
De Ridder, La., June 1, 1950.

DEAR SIR: Please find enclosure for your attention.

Yours very truly,

T. SHELBY OAKES,
Parish Administrative Officer,
County Committee of Beauregard
County.

Cotton, 1950

| | |
|---|---------|
| 1. Cotton producers in Beauregard Parish..... | 307 |
| 2. Farmers receiving 5 acres or less of cotton..... | 272 |
| 3. New producers applied for acreage..... | 150 |
| 4. Acreage to distribute among new producers..... | 415 |
| 5. Acreage each received..... | 2.0-3.4 |
| 6. Farmers receiving zero acreage..... | 13 |
| 7. Percent of new producers regarded as genuine farmers..... | 90 |
| 8. a. Acreage the new cotton amendment helped new producers..... | 0 |
| b. Old ones..... | 0 |
| 9. Number of producers receiving less than 5 acres that will probably grow no cotton..... | 15 |
| 10. Number of farmers that will cease to farm for themselves..... | ----- |

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
Montague, Tex., May 9, 1950.

Re letter dated May 6, 1950.

HON. LINDLEY BECKWORTH,
Washington, D. C.

DEAR SIR: In Montague County we have approximately 700 actual cotton producers.

We have 266 farmers in the county who received allotments of less than 5 acres under the original cotton law. Of course some of these figures were raised to more than 5 acres under the new 65-45-percent provision.

We had 139 applications for new grower cotton allotments in Montague County, and only 100 acres reserve was available for allocation to these applicants. These new producers received allotments from 0.5 to 2.7 acres, but none received a zero allotment. We estimate that 86 percent of these new producers are genuine farmers.

The recent cotton amendment did not help new cotton producers in our county since we did have enough acreage returned to the committee to cover the additional required for old producers under the 65-45-percent provision. However, the county did receive 1,244.3 acres additional allotment under the new law to aid the old producers.

We estimate that at least 50 to 60 percent of the 266 farmers receiving less than 5 acres probably will grow no cotton in 1950. Approximately 20 percent of this number will cease to farm for themselves.

Yours truly,

BUEL E. WRIGHT,
Secretary, Montague County PMA.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
Covington, La., May 9, 1950.

Representative LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR MR. BECKWORTH: In reply to your request of April 29, 1950, the following is for your information.

1. There are 221 cotton producers in this parish.
2. One hundred and fifty-four received less than 5 acres of cotton.
3. Fifty-one applied as new producers.

4. There were 141 acres to distribute among new producers.

5. Each received a percent share according to cropland and requested acreage.

6. No producer received zero acres.

7. About 75 percent of new producers are genuine farmers.

8. The recent cotton amendment helped none of our new producers. The frozen acreage amendment gave us 4 acres for new producers.

9. The recent cotton amendment helped none of our old producers. The frozen acreage amendment gave us 13.1 acres for old producers.

10. About 15 of our producers receiving less than 5 acres will probably grow no cotton.

11. A very small percentage will cease to farm for themselves.

Very truly yours,

BERT N. BRUMFIELD,
Parish Administrative Officer.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
Amite, La., May 9, 1950.

HON. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR SIR: We acknowledge receipt of your letter of April 23, 1950.

We submit the following information: Cotton producers in Tangipahoa Parish:

817. Farmers which received less than 5 acres of cotton: 444.

New producers who made application for cotton: 103.

Acreage distributed to new producers: 303.2.

Did any receive zero acreage: Yes.

New producers regarded as genuine farmers: 75 percent.

Recent cotton amendment which helped new producers: 9 acres.

Recent cotton amendment which helped old producers: 34.6 acres.

Estimated producers receiving less than 5 acres, who will grow no cotton: 25 percent.

Estimated number who will cease to farm for themselves: 2 percent.

Yours very truly,

MURPHY J. BURCH,
Parish Administrative Officer.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
Seguin, Tex., July 22, 1950.

HON. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR MR. BECKWORTH: In reference to your letter of May 6 concerning cotton acreage allotments in Guadalupe County, I am listing below your questions and our answers, which in some cases are estimates:

How many cotton producers are in your county: 1,200.

How many farmers received less than 5 acres of cotton: 186.

How many new producers applied for acreage: 108.

How much acreage was there to distribute among the new growers: 373.0.

How much did each get: 3.5 acre average.

Did any receive zero acres: Yes, 3.

What percent: 0.08 percent.

What percent of the new producers do you regard as genuine farmers: 90 percent.

How much in acres did the recent cotton amendment help your new producers: None.

The old ones: 4,740.

How many of your producers receiving less than 5 acres probably will grow no cotton: 25 percent.

How many will cease to farm for themselves: 10 percent.

Thanking you for your interest in this matter, I am

Yours very truly,

R. E. HOFFMAN,
Chairman, Guadalupe County PMA
Committee.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
Seguin, Tex., July 22, 1950.

HON. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR MR. BECKWORTH: In reference to your letter of May 15 concerning peanut acreage allotments in Guadalupe County, I am listing below your questions and our answers, which in some cases are estimates

Number of peanut producers in Guadalupe County: 424.

Generally, in thinking of your average farmer and producer, what is the least number of acres he can afford to grow or economically grow: 5 acres.

How many producers in county received allotments less than the number of acres mentioned above: 105.

How many peanut producers received allotments of less than 2 acres: 43.

Of the number of peanut farmers receiving allotments of less than 2 acres, how many will cease to grow peanuts: 75 percent.

How many new producers applied for peanut acreage in Guadalupe County in 1950: 30.

How many acres did you have to distribute to them: 61.4 acres.

Approximately how much did each receive: 2 acre average.

Thanking you for your interest in this matter and Guadalupe County, I am

Yours very truly,

R. E. HOFFMAN,
Chairman, PMA Guadalupe County
Committee.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
Floydada, Floyd, Tex., June 30, 1950.

HON. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR MR. REPRESENTATIVE: In reply to your note of May 6, 1950, I will submit answers to your questions. I regret that I was unable to answer prior to this time, but we were prohibited from replying by Mr. Frank K. Woolley, Deputy Administrator, PMA. However, he has now removed the prohibition.

There are 1,268 cotton producers in Floyd County. There were 49 new growers and 11 old growers that received less than 5 acres of cotton. There were 271 applications for new growers acreage. There were 3,793 acres to distribute among new growers. Each new grower received 0.5476 of the indicated acreage (what the old grower received, which was 0.2623 of tilled acreage adjusted). No new producer received zero acreage. Of the applications received, less than 50 percent are genuine farmers. The new growers were not helped by recent cotton amendments. The old growers were helped to the extent of 6,911 acres additional cotton allotment. This was allocated to 339 farmers. There were 796 farmers who applied for adjustments, but only 339 received any relief. Of the producers receiving less than 5 acres only about 25 will actually grow cotton. There will be none to cease farming because of the allotment reductions.

At present time the total county allotment is 51,803.8 including all adjustments.

Very truly yours,

RAY S. MCENTIRE,
Secretary, Floyd County PMA.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
May 9, 1950.

HON. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR SIR: Below is the report of the information called for by you for Geneva County: How many cotton producers are in your county: 2,142.

How many farmers in your county received less than 5 acres of cotton: 191.

How many new producers applied for acreage: 72.

How much acreage was there to distribute among the new producers in your county: 311.

How much did each get: B-33, 4.5; B-145, 1.4; C-235, 8.3; D-168, 4.5; E-62, 1.2; E-167, 0.2; F-4, 4.5; F-36, 22.3; F-133, 0.7; F-139, 0.3; F-146, 3.3; F-147, 0.5; G-12, 2.6; G-20, 9; G-85, 3; G-103, 4.5; G-128, 5.5; G-105, 2.7; H-26, 3.4; H-53, 5.9; H-92, 6.5; H-93, 2.1; H-95, 2.5; H-97, 2; H-101, 3; I-113, 5.8; I-114, 4.1; I-103, 4.5; I-135, 3.7; I-139, 1.5; I-145, 2; I-154, 3.9; I-160, 7.2; I-161, 4.9; J-23, 4.5; J-35, 5.4; J-39, 4.5; J-45, 4.2; J-86, 3.6; K-42, 4.5; K-55, 4.5; K-78, 3; K-123, 4.5; K-130, 0.3; K-131, 0.6; K-138, 11.6; L-19, 2.9; L-21, 9; L-35, 9; L-42, 4.5; L-51, 4.5; L-55, 5.4; M-43, 5.5; M-50, 6.3; M-51, 4.5; M-70, 4; N-56, 3.4; N-83, 3.7; N-99, 8.4; N-106, 3.6; N-129, 2.7; N-130, 3.8; N-132, 4.5; N-134, 1.5; O-12, 2.7; O-30, 1.9; O-38, 3.6; O-47, 2.8.

Did any receive zero acres: No.

What percent of new producers do you regard as genuine farmers: 90 percent.

How much in acres did the recent cotton amendment help your new producers: None. The old ones: 306.9.

How many of your producers receiving less than 5 acres probably will grow no cotton: 28.

How many will cease to farm for themselves: 100 in 1951; beyond 1951 we would not know how to predict.

Very truly yours,

F. W. BOLIN,
Vice Chairman of Geneva County
PMA Committee.
C. RILEY BROWN,
Member of Geneva County
PMA Committee.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
Bay Minette, Ala., May 8, 1950.

MR. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR MR. BECKWORTH: As requested in your letter addressed to the Baldwin County PMA Committee, I wish to advise that we have approximately 600 cotton farmers in this county. About 300 of these farms received less than 5 acres allotment. We only had about 180 acres to distribute to new growers; therefore they received an acreage from 0.1 up to 10 acres. We did not have any producers who filed for an allotment who did not get his percent. The recent cotton amendment only helped five farmers in this county with a total increase of 15 acres. I will say that approximately one-half of them will plant no cotton at all due to the fact that their allotment is so small. I am sure that none of them will cease to farm for themselves; although they cannot grow

cotton, they will produce some other crop instead.

Yours truly,

WOODROW W. BOOTH,
County Administrative Officer.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
Brewton, Ala., May 8, 1950.

LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN BECKWORTH: I appreciate your letter of May 5, 1950, and am listing below information as requested:

Cotton producers in the county: 1,554.

Farmers receiving less than 5 acres: 478.

Applicants for new growers allotments: 90.

Acreage distributed for new growers: 362.

Each new grower received some acreage.

Percent regarded as genuine farmers: 50.

Acres to new growers by recent cotton amendment: 0.

Acres to old growers by recent cotton amendment: 75 percent.

Producers receiving less than 5 acres who probably will grow no cotton: 250.

Producers who will cease to farm for themselves: 5 percent.

Very truly yours,

E. N. McCALL,
Chairman, Escambia County PMA
Committee.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND
MARKETING ADMINISTRATION,
Fresno, Calif., July 14, 1950.

Re: Cotton Allotment Data, Fresno County, Calif.

Congressman LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

HONORABLE CONGRESSMAN BECKWORTH: The following is the information requested concerning cotton allotment in Fresno County:

How many cotton producers are in your county: 3,674.

How many farmers in your county received less than 5 acres of cotton: 311.

How many new producers applied for acreage: 484.

How much acreage was there to distribute among the new producers in your county: 7,000.

How much did each get: Unable to state—acreage is varied greatly.

Did any receive zero acres: Yes, 220.

What percent of the new producers do you regard as genuine farmers: All regarded as such.

How much in acres did the recent cotton amendment help your new producers: Not applicable to new producers.

The old ones: 302.2 acres.

We have answered all those questions for which the county committee can supply a reasonably accurate answer.

Very truly yours,

FRANK LONG,
Chairman, PMA County Committee.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND
MARKETING ADMINISTRATION,
Chatsworth, Ga., July 18, 1950.

DEAR MR. BECKWORTH: This is in regard to your letter of May 4, 1950, concerning cotton allotments in Murray County.

1. Number of cotton producers in county: 939.

2. Number of allotments for less than 5 acres: 226.

3. Number of new producers applying for acreage: 57.

4. Acreage distributed among new producers: 141.3
5. Acreage each was given: 141.3.
6. Did any receive zero acreage: No.
7. Percent of new producers regarded as farmers: 10.
8. Number of acres the recent cotton amendment helped new growers: 0; old growers, 379.2.
9. Farmers receiving less than 5 acres who will probably grow no cotton: 22.
10. Farmers who will cease to farm for themselves: 25.

Yours very truly,

S. C. PLOTT,
County Administrative Officer, Murray County, Ga.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
Poteau, Okla., May 8, 1950.

HON. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR MR. BECKWORTH: In reply to your letter of May 4, we are listing below the answers to your questions for LeFlore County.

1. Total cotton farmers in county: 2,155.
2. Number of farmers receiving less than 5 acres: 408 farms. Number of farmers receiving exactly 5 acres: 864 farms.
3. Thirty-five new growers applied for acreage.
4. Fifty-one acres were available for new growers' requests.
5. Each new grower averaged only 1.5 acre per farm.
6. One hundred percent of new producers regarded as genuine cotton farmers.
7. Recent cotton amendment helped new growers receive an increase of 157 acres.
8. Recent cotton amendment helped old growers receive an increase of 820 acres.
9. Probably 60 percent of growers receiving less than 5 acres will grow no cotton.
10. Probably only about 2 percent will cease to farm for themselves. In this county there is quite a lot of diversified farming.

We appreciate your interest in these problems and please feel free to call on us at any time that we can furnish you with information.

Very truly yours,

A. H. MILLER,
Chairman, LeFlore County PMA Committee.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
Beaufort, S. C., May 5, 1950.

LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR SIR: With reference to your letter of May 2, 1950, the inquiries listed therein are answered below:

- How many cotton producers are in your county: 650.
- How many farmers in your county received less than five acres of cotton: 600.
- How many new producers applied for acreage: 57.
- How much acreage was there to distribute among the new producers in your county: 69.5.
- How much did each get: From 0.3 to 3.8 acres.
- Did any receive zero acres? No.
- What percent of the new producers do you regard as genuine farmers: 90 percent.
- How much in acres did the recent cotton amendment help your new producers: None. The old ones: 30.
- How many of your producers receiving less than 5 acres probably will grow no cotton: 50.

How many will cease to farm for themselves: None.

Very truly yours,
M. L. BOSTICK,
County Administrative Officer, PMA.

COOPERATIVE EXTENSION WORK IN
AGRICULTURE AND HOME ECONOMICS,
STATE OF FLORIDA,
Blountstown, Fla., May 10, 1950.

LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR SIR: There are 59 cotton producers in our county; 43 farmers received less than 5 acres of cotton, in our county; 15 new producers applied for acreage. There were 6 acres to distribute among the producers in our county. Each new producer got from 0.3 to 0.8 acres. None received zero acres. I regard the new producers to be 100 percent genuine farmers. The recent amendment helped our new producers zero acres. The old ones 4 acres; 25 producers receiving less than 5 acres will probably grow no cotton. None will cease to farm for themselves.

Yours very truly,

FRED J. GREEN,
Administrative Officer.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
Quincy, Fla., May 8, 1950.

MR. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR SIR: This is the information you requested on cotton from Gadsden County, Fla.:

There are only 13 cotton producers in the county; 12 farmers received less than 5 acres of cotton; 3 new producers applied for cotton acreage; 0.7 was the acreage to distribute among the new producers; one got 0.2, one 0.3 and another 0.2 acre; none received zero acres. All producers are genuine farmers. The new amendment did not help the new or old producers. About two-thirds of the producers receiving less than 5 acres will not grow cotton. None will cease to farm for themselves.

Trusting this is the information you desired, I am,

Yours very truly,
BERNARD H. CLARK,
Administrative Officer.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
Purvis, Miss., May 5, 1950.

MR. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR MR. BECKWORTH: With reference to your letter of May 2, 1950, in regard to cotton acreage of Lamar County, I am listing below the requested information:

- Cotton producers in Lamar County: 1,200.
540. Farmers receiving less than 5.0 allotment:
183. New producers applying for an allotment:
- Amount of acreage available to new growers: 680 acres.
- Each new grower received approximately 3.8 acres.
- Number of new growers receiving zero allotments: 11.
- Genuine farmers: 80 percent.
- Several new growers received help from the law recently passed by Congress from excess acreage which was turned back in by farmers that would not plant cotton this year. Approximately 70 acres was given to new growers and 450 acres given to old growers.

Approximately 100 farms received less than 5.0 as allotment will not plant cotton this year. About 25 farmers will cease to farm for themselves.

Trusting this the desired information.
Yours very truly,

FRED K. ROBERTS,
County Administrative Officer, Lamar County PMA.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
Lucedale, Miss., May 4, 1950.

MR. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR SIR: In answer to your recent letter we wish to advise that we have 410 farmers in George County with cotton allotments, 130 of that amount being applicants for a new-producer allotment. There were 262 farmers received an allotment of less than 5 acres.

This county received 465.7 acres for the new producers and as we were able to raise them to 3.8 no matter what the factor gave them, the majority received the 3.8 allotment. None received zero allotments.

Most of the ones asking for new allotments had been doing war work and are now wanting to start up farming operations again.

The recent cotton amendment helped only 5.1 acres in this county on the old allotments but none on the new producers except that the released acreage for reapportionment will bring them up to 40 percent of their crop-land.

Most of the ones who received allotments and did not release are intending to plant all they are allowed, but a few say that they did not receive enough to plant. Very few will cease to farm for themselves.

I hope this information will help you. Please feel free to call on us at any time.

Yours very truly,
B. ALTON GAVIN,
County Administrative Officer,
George County PMA.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
Burgaw, N. C., May 5, 1950.

HON. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR SIR: In reply to your inquiry about cotton producers in our county, we enclose a copy of the information which you requested.

We trust that this answers your questions completely.

Very truly yours,
T. W. GARRISS,
Secretary, Pender County PMA.

1. How many cotton producers are in your county: 348.
2. How many farmers in your county received less than 5 acres of cotton: 267.
3. How many new producers applied for acreage: 23.
4. How much acreage was there to distribute among the new producers in your county: 15.6.
5. How much did each get: Average of 1 acre.
6. Did any receive zero acres: 6.
7. What percent of new producers do you regard as genuine farmers: 100.
8. How much in acres did the recent cotton amendment help your new producers: None.
9. How much in acres did the recent cotton amendment help your old producers: 11 acres.
10. How many of your producers receiving less than 5 acres probably will grow no cotton: 25.

11. How many will cease to farm for themselves: None.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,

Tailorsville, N. C., May 4, 1950.

To: Mr. LINDLEY BECKWORTH, House of Representatives.

From: G. R. Fulbright, secretary, Alexander County Production and Marketing Committee.

Subject: Cotton acreage allotments.

We are listing below information requested by your recent letter.

1. Number of cotton producers in Alexander County: 1,128.

2. Number of farms in county for which the cotton allotment is less than 5 acres: 940.

3. Number of new producers applying for acreage: 49.

4. Acreage available for distribution among new producers in county: 90.

5. Average allotment received by new producers: 1.8 acres.

6. No zero acres received.

7. Percent of new producers regarded as genuine farmers: 100 percent.

8. Acreage added by recent cotton amendment: None.

Only two producers in county were eligible for increase in their allotment under recent amendment. These two producers would have been eligible for a total of 0.8 acre.

9. Estimate of number of producers receiving less than 5 acres that will probably grow no cotton in 1950: 100.

G. R. FULBRIGHT,

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,

Pittsboro, N. C., May 8, 1950.

LINDLEY BECKWORTH,
Third District, Texas.

DEAR SIR: In reference to your letter of May 2, 1950, concerning information on cotton in Chatham County, N. C., it is as follows: (a) 920 cotton producers; (b) 857 received 5 acres or less; (c) 72 new producers applied for cotton acreage; (d) 50 acres to distribute to new producers; (e) each received from 0.1 to 2 acres; none received zero allotments; (f) about 75 percent genuine farmers; (g) the recent cotton amendment did not help new growers any. One old farm received increase of 1.1 acres from this amendment; (h) there probably will be 25 percent of the growers that received less than 5 acres will not plant any cotton because the allotment is too small.

Very truly yours,

R. O. FEARRINGTON,
Secretary, Chatham County PMA
Committee.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,

Wilson, N. C., May 8, 1950.

DEAR MR. BECKWORTH: In reply to your letter of May 3 the information you asked for is listed below:

1. Number of cotton producers in Wilson County: 2,006.

2. Number of farms receiving less than 5 acres: 1,389.

3. Number of applications for new growers allotment: 33.

4. Acreage available for new growers: None.

5. Acreage issued new growers, 46.3.

6. Number receiving zero acres: None.

7. Percent of new growers considered genuine producers: 100 percent.

8. Acreage old growers benefited by recent cotton amendment: 448.3.

9. Acreage new growers benefited by recent cotton amendment: None.

10. Number of producers receiving less than 5 acres that will not plant the cotton: 150 (estimated).

11. Number of producers ceasing to farm for themselves in 1950: 20 (estimated).

Sincerely,

MALLIE STOTT,
Secretary, Wilson County PMA.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,

Lawrenceville, Va., June 30, 1950.

Mr. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR MR. BECKWORTH: In reply to your letter of May 3, in regard to cotton acreage in Brunswick County:

1. Number of growers: 1,446.

2. Less than 5 acres: 1,151.

3. New growers: 79.

4. Divided among them: 10.3 acres.

5. Each got: From 0.1 to 0.4 acre.

6. Zero allotment: None.

7. Regarded as genuine farmers: 50 percent.

8. Amendment helped new producers: None; old ones: 359.3 acres.

9. Will grow no cotton that received less than 5 acres: 150.

Yours truly,

W. P. HOUSE,
Secretary, Brunswick PMA County
Committee.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,

Dinwiddie, Va., July 7, 1950.

Mr. LINDLEY BECKWORTH,
Member of Congress,
Washington, D. C.

DEAR MR. BECKWORTH: Listed below you will please find the questions with applicable answers contained in your letter of May 3, 1950, requesting certain cotton data for Dinwiddie County, Va.:

1. How many cotton producers are in your county. Answer. Number allotments, group I and II, 266.

2. How many farmers in your county received less than 5 acres of cotton? Answer. 256.

3. How many new producers applied for acreage? Answer. 26.

4. How much acreage was there to distribute among the new producers in your county? Answer. 2.9 acres.

5. How much did each get? Answer. About 0.1 acre.

6. Did any receive zero acres? Answer. No eligible new grower applicant received no allotment.

7. What percent of the new producers do you regard as genuine farmers? Answer. 100 percent.

8. How much in acres did the recent cotton amendment help your new producers? Answer. None.

9. The old ones? Answer. 26.1 acres.

10. How many of your producers receiving less than 5 acres probably will grow no cotton? Answer. 50 percent.

11. How many will cease to farm for themselves? Answer. None.

With best wishes, I am,

Yours very truly,

F. W. YOUNG,
Secretary, Dinwiddie PMA County
Committee.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,

State College, N. Mex., July 21, 1950.

Hon. JOHN E. MILES,
House of Representatives,

Washington, D. C.

DEAR MR. MILES: This is in reply to your letter of June 23 addressed to Mr. Leslie Martin, chairman of State PMA committee, wherein you requested that we submit cer-

tain data regarding the 1950 cotton acreage-allotment program.

The following is a tabulation by county of the information requested:

| County | Number of producers | Number receiving 5 acres or less | Number of new producers applying for acreage | Number considered genuine farmers |
|----------------|---------------------|----------------------------------|--|-----------------------------------|
| Chaves..... | 731 | 54 | 34 | 34 |
| Curry..... | 11 | | | |
| De Baca..... | 54 | 40 | 49 | 48 |
| Dona Ana..... | 1,834 | 27 | 58 | 28 |
| Eddy..... | 553 | 26 | 25 | 25 |
| Harding..... | 9 | 4 | | |
| Hidalgo..... | 100 | 14 | 25 | 25 |
| Lea..... | 450 | 12 | 166 | 160 |
| Luna..... | 225 | 2 | 21 | 21 |
| Otero..... | 41 | 7 | 2 | 2 |
| Quay..... | 331 | 18 | 145 | 145 |
| Roosevelt..... | 872 | 71 | 185 | 83 |
| Sierra..... | 125 | 17 | 12 | 12 |
| Socorro..... | 107 | 54 | 100 | 91 |
| Valencia..... | 10 | 8 | 10 | 10 |

| County | Acreage available for new producers | Average acres received by new producers | Acreage increase because of Public Law 471 |
|----------------|-------------------------------------|---|--|
| Chaves..... | 2,092 | 61 | 782 |
| Curry..... | | | 36 |
| De Baca..... | 202 | 4 | |
| Dona Ana..... | 450 | 10 | |
| Eddy..... | 120 | 4 | 742 |
| Harding..... | | | |
| Hidalgo..... | 418 | 16 | |
| Lea..... | 3,494 | 21 | 652 |
| Luna..... | 375 | 17 | |
| Otero..... | 18 | 9 | 84 |
| Quay..... | 1,951 | 13 | |
| Roosevelt..... | 449 | 5 | 6,812 |
| Sierra..... | 67 | 5 | |
| Socorro..... | 689 | 7 | |
| Valencia..... | 100 | 10 | |

The acreage was distributed to new producers on the basis of a factor applied to the cropland acreage, not to exceed the amount requested by the new producers. The only producers receiving zero acreage were those which were not considered to be genuine cotton farmers by the county committee.

New producers were not benefited by the increase in acreage because of Public Law 471.

All producers receiving a cotton allotment on 5 acres or less received such an allotment on basis of past cotton history. It is therefore anticipated that these producers will plant cotton since they are established cotton farmers.

Very truly yours,

ARCHIE M. VANCE,
Executive Officer, State Committee.

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,

Columbia, S. C., May 31, 1950.

Hon. JOSEPH R. BRYSON,
House of Representatives,
Washington, D. C.

DEAR MR. BRYSON: I wish to thank you for your letter of May 25 asking for certain data on cotton-acreage allotments in South Carolina.

Enclosed is a tabulation giving answers to most of your questions. Repeating your questions:

1. How many cotton producers are in each county of South Carolina? See column 1.

2. How many farmers in each county received less than 5 acres of cotton? See column 2. It might be added that 19,000 farmers in the State received an acreage allotment of exactly 5 acres. Changing your question then, there are 39,908 farms in the State receiving an allotment of 5 acres or less.

3. How many new producers in each county applied for acreage? See column 3.

4. How much acreage was there to distribute among the new producers in each county? See column 4.

5. How much did each get? See column 5. In answering this question, we have given the smallest acreage allotted to any one farm in the county and the highest acreage allotted in the county to any one farm. It should be understood that many farmers received new grower allotments between these two figures.

6. Did any receive zero acres? All applicants for new grower allotments that were eligible under the regulations did receive an allotment.

7. What percent of the new producers in each county do you regard as genuine farmers? I have no data on which to answer this question.

8. How much in acres did the recent cotton amendment help your new producers county by county? The recent amendments did not help new cotton producers in any county due to the fact that new cotton producers were not eligible to receive any additional allotment under the amendments. The amendments were based solely on history of cotton production and the new cotton producers did not have any cotton history.

9. How much in acres did the recent cotton amendment help old cotton producers? See column 6.

10. How many producers, county by county, receiving less than 5 acres probably will grow no cotton? I have no data on which to base an answer to this question.

11. How many will cease to farm for themselves county by county? I have no data on which to answer this question.

If there is any additional information that you think we may furnish you we will be very glad, indeed, to hear from you.

With kindest regards, I am

Very truly yours,

R. W. HAMILTON,

Chairman, South Carolina State PMA Committee.

Cotton acreage allotment data, South Carolina

| County | (1) Number cotton farms | (2) Number receiving less than 5 acres | (3) Number new cotton farms | (4) Allotment (acres) distrib- uted to new cotton farms | (5) Smallest and largest new cotton allot- ment (acres) | | (6) Acres re- ceived under cotton amendment |
|-------------------|----------------------------------|--|--------------------------------------|---|--|---------|---|
| | | | | | Smallest | Largest | |
| Abbeville..... | 1,608 | 243 | 55 | 258 | 0.8 | 13.0 | 557 |
| Aiken..... | 2,379 | 314 | 90 | 262 | .2 | 10.6 | 3,471 |
| Allendale..... | 674 | 12 | 11 | 65 | 1.8 | 17.0 | 1,003 |
| Anderson..... | 4,216 | 471 | 55 | 306 | .7 | 25.7 | 1,727 |
| Bamberg..... | 1,103 | 114 | 35 | 133 | 1.0 | 10.0 | 645 |
| Barwell..... | 1,338 | 79 | 16 | 102 | 1.9 | 32.7 | 2,000 |
| Beaufort..... | 714 | 618 | 57 | 69 | .3 | 3.8 | 21 |
| Berkeley..... | 2,066 | 960 | 96 | 236 | .9 | 17.1 | 211 |
| Calhoun..... | 1,069 | 159 | 13 | 53 | 1.3 | 9.8 | 1,891 |
| Charleston..... | 684 | 657 | 40 | 50 | .7 | 3.1 | 6 |
| Cherokee..... | 2,275 | 263 | 121 | 538 | .7 | 37.5 | 1,426 |
| Chester..... | 1,490 | 204 | 65 | 304 | 1.0 | 14.3 | 1,611 |
| Chesterfield..... | 2,825 | 310 | 112 | 410 | .9 | 28.8 | 2,574 |
| Clarendon..... | 2,766 | 275 | 26 | 47 | .6 | 4.3 | 1,059 |
| Colleton..... | 2,399 | 976 | 141 | 331 | .8 | 10.1 | 1,210 |
| Darlington..... | 2,166 | 259 | 50 | 120 | .6 | 6.3 | 4,698 |
| Dillon..... | 1,376 | 162 | 22 | 83 | .2 | 14.6 | 2,896 |
| Dorchester..... | 1,577 | 441 | 105 | 439 | 1.0 | 15.0 | 269 |
| Edgefield..... | 1,380 | 158 | 64 | 270 | .9 | 26.3 | 1,538 |
| Fairfield..... | 1,075 | 207 | 28 | 120 | 3.0 | 10.0 | 244 |
| Florence..... | 3,681 | 1,334 | 36 | 70 | .3 | 5.6 | 4,110 |
| Georgetown..... | 822 | 553 | 24 | 42 | .8 | 3.0 | 192 |
| Greenville..... | 4,297 | 1,212 | 89 | 328 | .4 | 11.9 | 1,801 |
| Greenwood..... | 1,100 | 253 | 55 | 123 | .1 | 20.6 | 487 |
| Hampton..... | 1,154 | 249 | 55 | 198 | .9 | 13.7 | 942 |
| Horry..... | 2,437 | 1,748 | 163 | 206 | .6 | 4.5 | 460 |
| Jasper..... | 727 | 367 | 29 | 90 | 1.6 | 8.9 | 60 |
| Kershaw..... | 1,923 | 267 | 86 | 232 | 1.0 | 15.0 | 1,984 |
| Lancaster..... | 1,790 | 384 | 77 | 223 | 1.4 | 9.5 | 1,204 |
| Laurens..... | 2,281 | 366 | 115 | 549 | .2 | 62.4 | 2,518 |
| Lee..... | 1,537 | 112 | 5 | 27 | 1.5 | 8.6 | 4,621 |
| Lexington..... | 2,098 | 608 | 93 | 555 | 1.5 | 16.3 | 2,389 |
| McCormick..... | 738 | 119 | 24 | 146 | .4 | 10.8 | 198 |
| Marion..... | 1,488 | 409 | 19 | 59 | .1 | 5.1 | 582 |
| Marlboro..... | 1,188 | 58 | 8 | 110 | 3.5 | 36.4 | 3,743 |
| Newberry..... | 1,751 | 482 | 75 | 321 | .2 | 24.3 | 537 |
| Oconee..... | 2,492 | 680 | 71 | 216 | .7 | 26.4 | 443 |
| Orangeburg..... | 4,718 | 668 | 86 | 454 | .4 | 53.3 | 2,405 |
| Pickens..... | 2,351 | 503 | 38 | 69 | .7 | 5.9 | 641 |
| Richland..... | 1,562 | 441 | 123 | 493 | .5 | 18.3 | 330 |
| Saluda..... | 1,620 | 422 | 91 | 274 | .8 | 9.3 | 1,384 |
| Spartanburg..... | 5,346 | 1,041 | 132 | 592 | .9 | 36.1 | 2,158 |
| Sumter..... | 2,869 | 255 | 44 | 167 | 1.0 | 15.0 | 1,861 |
| Union..... | 976 | 118 | 41 | 204 | 1.9 | 23.8 | 460 |
| Williamsburg..... | 3,556 | 944 | 15 | 109 | .4 | 8.8 | 1,342 |
| York..... | 2,185 | 283 | 110 | 571 | .7 | 24.0 | 2,004 |
| Total..... | 91,712 | 20,908 | 2,960 | 10,993 | .1 | 53.3 | 67,247 |

Number of 1950 cotton farms by acreage ranges, Georgia

| County | 0.1 to 4.9 | 5 | 5.1 to 10 | 10.1 to 15 | 15.1 to 25 | 25.1 to 50 | 50.1 to 75 | 75.1 to 100 | 100.1 to 150 | 150.1 to 200 | 200.1 to 300 | 300.1 to 500 | 500 and over | Total |
|--------------------|------------|-----|-----------|------------|------------|------------|------------|-------------|--------------|--------------|--------------|--------------|--------------|-------|
| Appling..... | 359 | 281 | 337 | 48 | 26 | 9 | | | | | | | | 1,060 |
| Atkinson..... | 188 | 56 | 41 | 2 | 2 | 1 | | | | | | | | 290 |
| Bacon..... | 357 | 154 | 140 | 16 | 7 | | | | | | | | | 674 |
| Baker..... | 110 | 77 | 91 | 25 | 24 | 23 | 1 | | 1 | 2 | | | | 354 |
| Baldwin..... | 87 | 99 | 155 | 45 | 31 | 22 | 7 | | 1 | 2 | | | | 449 |
| Banks..... | 210 | 264 | 279 | 94 | 58 | 16 | 2 | 1 | | | | | | 924 |
| Barrow..... | 126 | 142 | 385 | 217 | 124 | 64 | 7 | 4 | 1 | | | | | 1,070 |
| Bartow..... | 170 | 65 | 359 | 232 | 249 | 147 | 45 | 10 | 11 | 7 | 4 | | | 1,308 |
| Ben Hill..... | 152 | 73 | 200 | 66 | 41 | 34 | 6 | 1 | 2 | | | | | 575 |
| Berrien..... | 448 | 143 | 86 | 15 | 12 | 3 | | 1 | 1 | | | | | 709 |
| Bibb..... | 91 | 58 | 45 | 15 | 11 | 4 | | | | | | | | 224 |
| Bleckley..... | 22 | 30 | 199 | 147 | 133 | 55 | 18 | 3 | 2 | | 1 | | | 610 |
| Brantley..... | 28 | 3 | 1 | | | | | | | | | | | 32 |
| Brooks..... | 466 | 362 | 268 | 70 | 41 | 11 | 7 | | | | | | | 1,225 |
| Bryan..... | 69 | 29 | 12 | 4 | 2 | | | | | | | | | 107 |
| Bulloch..... | 211 | 248 | 651 | 272 | 206 | 130 | 28 | 6 | 4 | 3 | | | | 1,759 |
| Burke..... | 62 | 100 | 262 | 275 | 266 | 242 | 87 | 48 | 30 | 20 | 24 | 10 | 3 | 1,429 |
| Butts..... | 40 | 44 | 147 | 119 | 84 | 50 | 12 | 7 | 8 | 1 | | | | 512 |
| Calhoun..... | 81 | 56 | 102 | 41 | 47 | 23 | 8 | 4 | 8 | 1 | 1 | | | 372 |
| Camden..... | 1 | | | | | | | | | | | | | 1 |
| Candler..... | 60 | 81 | 209 | 106 | 78 | 33 | 11 | 5 | 3 | 2 | 1 | | | 589 |
| Carroll..... | 368 | 478 | 1,182 | 447 | 266 | 81 | 16 | 3 | 2 | | | | | 2,843 |
| Catoosa..... | 212 | 256 | 120 | 26 | 14 | 1 | | | | | | | | 629 |
| Charlton..... | 3 | 1 | | | | | | | | | | | | 4 |
| Chatam..... | 11 | 3 | 3 | | | | | | | | | | | 17 |
| Chattahoochee..... | 11 | 25 | 8 | 2 | | 1 | | | | | | | | 47 |
| Chatooga..... | 177 | 136 | 339 | 144 | 115 | 31 | 4 | 1 | | 1 | | 1 | | 919 |
| Cherokee..... | 463 | 480 | 262 | 39 | 17 | 7 | | | | | | | | 1,268 |
| Clarke..... | 107 | 101 | 160 | 47 | 36 | 25 | 2 | | | | | | | 478 |
| Clay..... | 68 | 43 | 113 | 57 | 20 | 19 | 8 | 5 | | 3 | | | | 336 |
| Clayton..... | 57 | 87 | 136 | 44 | 19 | 11 | 3 | 3 | | | | | | 260 |
| Clayton..... | 71 | 8 | 5 | | | | | | | | | | | 84 |
| Cobb..... | 475 | 415 | 460 | 81 | 46 | 17 | 1 | 1 | | | | | | 1,066 |
| Coffee..... | 377 | 182 | 366 | 98 | 64 | 17 | 2 | 1 | | | | | | 1,117 |
| Colquitt..... | 290 | 321 | 646 | 227 | 136 | 88 | 13 | 9 | 5 | 3 | | | | 1,718 |
| Columbia..... | 162 | 156 | 173 | 44 | 27 | 20 | 9 | 3 | | | | | | 594 |
| Cook..... | 309 | 152 | 118 | 14 | 11 | 9 | 1 | 1 | | | | | | 615 |
| Coweta..... | 232 | 215 | 384 | 147 | 108 | 63 | 20 | 8 | 9 | | | | 1 | 1,157 |
| Crawford..... | 90 | 120 | 94 | 44 | 20 | 9 | 4 | 1 | | | | | | 282 |
| Crisp..... | 64 | 70 | 213 | 105 | 86 | 57 | 23 | 9 | 9 | 4 | | | | 610 |
| Dade..... | 264 | 80 | 45 | 6 | 3 | | | | | | | | | 338 |
| Dawson..... | 116 | 98 | 56 | 8 | 6 | 1 | | | | | | | | 285 |
| Decatur..... | 356 | 148 | 116 | 25 | 10 | 6 | | 1 | | | | | | 661 |

Number of 1950 cotton farms by acreage ranges, Georgia—Continued

| County | 0.1 to 4.9 | 5 | 5.1 to 10 | 10.1 to 15 | 15.1 to 25 | 25.1 to 50 | 50.1 to 75 | 75.1 to 100 | 100.1 to 150 | 150.1 to 200 | 200.1 to 300 | 300.1 to 500 | 500 and over | Total |
|-----------------|------------|-----|-----------|------------|------------|------------|------------|-------------|--------------|--------------|--------------|--------------|--------------|-------|
| De Kalb..... | 155 | 96 | 86 | 20 | 10 | 6 | | | | | 1 | | | 374 |
| Dodge..... | 73 | 120 | 480 | 372 | 203 | 103 | 15 | 9 | 1 | 4 | 1 | | | 1,381 |
| Dooley..... | 51 | 93 | 280 | 254 | 226 | 145 | 36 | 14 | 15 | 3 | 6 | | 1 | 1,124 |
| Douglas..... | 75 | 71 | 44 | 14 | 18 | 9 | 2 | 1 | 2 | 3 | | | | 236 |
| Douglass..... | 244 | 276 | 177 | 43 | 27 | 7 | | 2 | | | | | | 776 |
| Early..... | 230 | 219 | 365 | 131 | 87 | 71 | 24 | 4 | 8 | 5 | 2 | 1 | 1 | 1,148 |
| Echols..... | 43 | 7 | 3 | 1 | | | | | | | | | | 54 |
| Effingham..... | 104 | 197 | 67 | 15 | 13 | 9 | | | | | | | | 405 |
| Elbert..... | 129 | 178 | 652 | 282 | 135 | 57 | 14 | 2 | 3 | | | | | 1,452 |
| Emanuel..... | 81 | 196 | 525 | 271 | 197 | 125 | 18 | 7 | 12 | 4 | 1 | | 2 | 1,439 |
| Evans..... | 33 | 99 | 114 | 53 | 30 | 21 | 6 | 2 | 1 | 1 | | | | 360 |
| Fayette..... | 60 | 117 | 356 | 135 | 69 | 44 | 9 | 8 | 2 | | 1 | 2 | | 803 |
| Floyd..... | 271 | 215 | 414 | 247 | 165 | 89 | 24 | 11 | 4 | 2 | | 2 | | 1,444 |
| Forsyth..... | 292 | 396 | 569 | 121 | 59 | 18 | 3 | 2 | | 1 | | | | 1,461 |
| Franklin..... | 210 | 227 | 651 | 303 | 148 | 68 | 7 | 3 | 1 | | | | | 1,618 |
| Fulton..... | 282 | 215 | 317 | 94 | 68 | 18 | 8 | 2 | | | 1 | | | 1,005 |
| Gilmer..... | 30 | 20 | | | | | | | | | | | | 50 |
| Glascocock..... | 27 | 13 | 96 | 78 | 85 | 55 | 12 | 7 | 2 | 1 | | | | 376 |
| Gordon..... | 189 | 284 | 616 | 270 | 165 | 74 | 13 | 2 | 2 | | | 1 | | 1,616 |
| Grady..... | 514 | 133 | 75 | 16 | 10 | 6 | | | | | | | | 754 |
| Greene..... | 125 | 74 | 313 | 146 | 66 | 32 | 6 | 2 | 1 | | | | | 765 |
| Gwinnett..... | 339 | 468 | 788 | 239 | 119 | 63 | 3 | 4 | 1 | 1 | | | | 2,023 |
| Habersham..... | 115 | 181 | 75 | 9 | 3 | | | | | | | | | 380 |
| Hall..... | 534 | 346 | 490 | 104 | 66 | 27 | 6 | 6 | | 1 | | | | 1,580 |
| Hancock..... | 164 | 176 | 307 | 140 | 112 | 66 | 20 | 11 | 3 | 2 | 1 | | | 1,002 |
| Haralson..... | 358 | 364 | 401 | 70 | 37 | 11 | 1 | | | | | | | 1,242 |
| Harris..... | 172 | 117 | 137 | 33 | 35 | 9 | 2 | 2 | 1 | | 1 | | | 509 |
| Hart..... | 125 | 221 | 528 | 355 | 272 | 114 | 15 | 5 | 1 | 1 | | | | 1,637 |
| Heard..... | 53 | 139 | 310 | 111 | 76 | 37 | 19 | 7 | 2 | | | | | 736 |
| Henry..... | 173 | 111 | 403 | 228 | 190 | 122 | 19 | 13 | 11 | 5 | 1 | | | 1,276 |
| Houston..... | 127 | 85 | 218 | 79 | 82 | 61 | 16 | 5 | 3 | 1 | | | | 602 |
| Irwin..... | 101 | 169 | 375 | 111 | 83 | 67 | 17 | 3 | 3 | | | | | 876 |
| Jackson..... | 56 | 65 | 149 | 81 | 43 | 43 | 7 | 6 | 7 | 3 | 1 | 1 | | 1,536 |
| Jasper..... | 361 | 156 | 47 | 13 | 8 | 4 | | 1 | | 2 | 3 | | | 463 |
| Jeff Davis..... | 76 | 69 | 228 | 277 | 272 | 166 | 57 | 15 | 16 | 9 | 5 | 2 | | 1,092 |
| Jefferson..... | 18 | 41 | 197 | 185 | 116 | 111 | 24 | 12 | 13 | 3 | 5 | | | 725 |
| Jenkins..... | 27 | 46 | 193 | 203 | 203 | 132 | 29 | 17 | 9 | 3 | 3 | 1 | 1 | 867 |
| Jones..... | 155 | 82 | 45 | 5 | 5 | 6 | | 1 | | | | | | 299 |
| Lamar..... | 69 | 104 | 188 | 93 | 48 | 22 | 2 | 1 | | 1 | | | | 528 |
| Lanier..... | 93 | 28 | 20 | 4 | 1 | 1 | | | | | | | | 147 |
| Laurens..... | 154 | 237 | 654 | 495 | 299 | 216 | 47 | 21 | 14 | 6 | 7 | 1 | 2 | 2,153 |
| Lee..... | 127 | 110 | 62 | 28 | 21 | 12 | 3 | 1 | 2 | | | | | 368 |
| Liberty..... | 62 | 2 | | | | | | | | | | | | 65 |
| Lincoln..... | 76 | 150 | 264 | 64 | 48 | 17 | 2 | 1 | | | 2 | 1 | | 625 |
| Long..... | 145 | 20 | 19 | 1 | | | | | | | | | | 185 |
| Lowndes..... | 490 | 163 | 94 | 19 | 12 | 3 | | 1 | | | | | | 782 |
| Lumpkin..... | 119 | 39 | 18 | 3 | 2 | | | | | | | | | 181 |
| McDuffie..... | 34 | 42 | 185 | 123 | 84 | 46 | 16 | 8 | 7 | 2 | 4 | | | 551 |
| McIntosh..... | 1 | | | | | | | | | | | | | 1 |
| Macon..... | 42 | 52 | 187 | 157 | 125 | 93 | 36 | 18 | 15 | 3 | 7 | 1 | | 736 |
| Madison..... | 237 | 270 | 703 | 297 | 110 | 57 | 16 | 2 | 1 | 2 | | | | 1,695 |
| Marion..... | 68 | 87 | 195 | 52 | 40 | 20 | 3 | 2 | 1 | | | | | 468 |
| Meriwether..... | 140 | 210 | 342 | 203 | 136 | 98 | 26 | 7 | 9 | 2 | 1 | 2 | | 1,176 |
| Miller..... | 204 | 208 | 197 | 61 | 30 | 15 | 5 | 2 | 2 | | 1 | | | 725 |
| Mitchell..... | 196 | 249 | 336 | 117 | 96 | 75 | 9 | 5 | 8 | 1 | | | | 1,092 |
| Monroe..... | 116 | 60 | 155 | 64 | 38 | 14 | 4 | 2 | | | | | | 453 |
| Montgomery..... | 45 | 182 | 166 | 62 | 55 | 28 | 6 | 3 | 2 | | | | | 549 |
| Morgan..... | 84 | 82 | 139 | 140 | 193 | 123 | 41 | 14 | 18 | 3 | 3 | 6 | | 846 |
| Murray..... | 219 | 157 | 347 | 112 | 57 | 18 | 2 | 2 | | | | | | 914 |
| Muscogee..... | 23 | 11 | 16 | 2 | 3 | | 1 | 1 | | | | | | 56 |
| Newton..... | 92 | 120 | 262 | 178 | 87 | 66 | 22 | 4 | 7 | 3 | 1 | 1 | | 843 |
| Oconee..... | 49 | 64 | 243 | 173 | 123 | 57 | 19 | 3 | 3 | | 1 | | | 735 |
| Oglethorpe..... | 177 | 199 | 451 | 206 | 122 | 55 | 13 | 2 | 5 | | | | | 1,230 |
| Paulding..... | 182 | 105 | 460 | 180 | 86 | 24 | 3 | 3 | 1 | | | | | 1,044 |
| Peach..... | 18 | 52 | 85 | 35 | 14 | 18 | 4 | 4 | 3 | | | | | 233 |
| Pickens..... | 189 | 135 | 161 | 27 | 8 | 3 | 1 | 1 | | | | | | 525 |
| Pierce..... | 361 | 110 | 113 | 25 | 16 | | | | | | | | | 626 |
| Pike..... | 30 | 126 | 229 | 107 | 99 | 60 | 15 | 6 | 4 | 2 | | | | 680 |
| Polk..... | 207 | 314 | 415 | 174 | 138 | 58 | 11 | 4 | 1 | 1 | | | | 1,323 |
| Putnam..... | 58 | 87 | 137 | 48 | 22 | 15 | 4 | 3 | 1 | | | | | 375 |
| Pulaski..... | 17 | 48 | 166 | 118 | 101 | 71 | 17 | 14 | 6 | 1 | 1 | | | 560 |
| Quitman..... | 125 | 39 | 56 | 19 | 15 | 10 | 3 | 2 | | | | | | 269 |
| Randolph..... | 110 | 117 | 191 | 69 | 66 | 37 | 18 | 6 | 8 | 4 | | | | 626 |
| Richmond..... | 60 | 91 | 84 | 60 | 44 | 24 | 9 | 2 | | | | | | 365 |
| Rockdale..... | 74 | 89 | 202 | 91 | 68 | 38 | 5 | 4 | 2 | 1 | | | | 574 |
| Schley..... | 24 | 21 | 96 | 72 | 55 | 42 | 7 | 1 | | | 1 | | | 320 |
| Screven..... | 106 | 144 | 398 | 278 | 230 | 136 | 30 | 11 | 15 | 5 | 2 | 2 | 1 | 1,358 |
| Seminole..... | 158 | 133 | 193 | 54 | 26 | 16 | 4 | 2 | | | | | | 586 |
| Spalding..... | 83 | 74 | 177 | 77 | 53 | 43 | 12 | 4 | 2 | | | | | 525 |
| Stephens..... | 137 | 116 | 158 | 31 | 10 | 3 | 1 | | | | | | | 450 |
| Stewart..... | 103 | 111 | 136 | 30 | 25 | 8 | 4 | 2 | | | 1 | | 1 | 421 |
| Sumter..... | 95 | 77 | 268 | 108 | 132 | 95 | 28 | 8 | 8 | 2 | | 1 | | 822 |
| Talbot..... | 109 | 195 | 113 | 20 | 17 | 9 | | 1 | | | | | | 463 |
| Taliaferro..... | 35 | 79 | 179 | 71 | 43 | 17 | 3 | 1 | | | | | | 428 |
| Tattnall..... | 249 | 278 | 318 | 69 | 43 | 20 | 1 | 4 | 1 | | | | | 983 |
| Taylor..... | 40 | 59 | 197 | 124 | 81 | 74 | 20 | 5 | 3 | 1 | | | | 604 |
| Telfair..... | 155 | 248 | 305 | 69 | 42 | 24 | 3 | 2 | 1 | | | | | 849 |
| Terrell..... | 70 | 53 | 200 | 83 | 89 | 65 | 31 | 13 | 13 | 4 | 2 | 1 | | 624 |
| Thomas..... | 440 | 149 | 138 | 23 | 27 | 12 | 3 | 1 | 1 | | | | | 793 |
| Tift..... | 203 | 175 | 327 | 72 | 47 | 16 | 7 | 1 | 1 | | 1 | | | 850 |
| Toombs..... | 128 | 232 | 288 | 133 | 87 | 47 | 6 | 6 | 2 | 2 | 1 | | | 932 |
| Treutlen..... | 38 | 108 | 131 | 76 | 31 | 26 | 4 | 3 | 3 | 1 | 1 | | | 422 |
| Troup..... | 159 | 115 | 237 | 80 | 37 | 20 | 1 | | 2 | | | | | 651 |
| Turner..... | 110 | 140 | 233 | 97 | 52 | 27 | 5 | 5 | 3 | | | | | 672 |
| Twiggs..... | 76 | 150 | 171 | 52 | 41 | 20 | 5 | 3 | | | | | | 518 |
| Upson..... | 128 | 124 | 123 | 23 | 18 | 15 | 1 | | | | | | | 432 |
| Walker..... | 417 | 422 | 432 | 72 | 40 | 5 | | 1 | | | | | | 1,389 |
| Walton..... | 54 | 54 | 276 | 323 | 341 | 196 | 43 | 19 | 15 | 5 | 2 | 1 | | 1,329 |
| Ware..... | 258 | 39 | 19 | 5 | 1 | | | | | | | | | 322 |
| Warren..... | 32 | 28 | 121 | 118 | 208 | 103 | 28 | 15 | 14 | 2 | 3 | | | 672 |
| Washington..... | 85 | 157 | 322 | 274 | 212 | 158 | 37 | 6 | 13 | 2 | 2 | | | 1,298 |

Number of 1950 cotton farms by acreage ranges, Georgia—Continued

| County | 0.1 to 4.9 | 5 | 5.1 to 10 | 10.1 to 15 | 15.1 to 25 | 25.1 to 50 | 50.1 to 75 | 75.1 to 100 | 100.1 to 150 | 150.1 to 200 | 200.1 to 300 | 300.1 to 500 | 500 and over | Total |
|-------------|------------|--------|-----------|------------|------------|------------|------------|-------------|--------------|--------------|--------------|--------------|--------------|---------|
| Wayne | 130 | 196 | 101 | 55 | 27 | 8 | 2 | | | | | | | 619 |
| Webster | 99 | 75 | 72 | 22 | 10 | 11 | 2 | 1 | | | | | | 292 |
| Wheeler | 44 | 119 | 245 | 66 | 39 | 21 | 10 | 1 | 1 | | | | | 547 |
| White | 60 | 213 | 132 | 16 | 7 | | | | | | | | | 458 |
| Whitfield | 612 | 343 | 324 | 47 | 21 | 7 | | 1 | | | | | | 1,357 |
| Wilcox | 58 | 104 | 340 | 205 | 161 | 99 | 17 | 5 | 4 | 3 | | | | 996 |
| Wilkes | 166 | 306 | 305 | 121 | 60 | 43 | 15 | 3 | 4 | 4 | | | | 1,027 |
| Wilkinson | 144 | 157 | 200 | 48 | 31 | 12 | 1 | 2 | 1 | | | | | 596 |
| Worth | 172 | 359 | 450 | 170 | 123 | 66 | 23 | 8 | 8 | 1 | | | 1 | 1,351 |
| State total | 23,298 | 21,590 | 35,894 | 15,647 | 11,046 | 6,282 | 1,504 | 616 | 459 | 167 | 108 | 41 | 14 | 116,666 |

DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
Stillwater, Okla., June 16, 1950.

Hon. TOBY MORRIS,
Member of Congress,
Washington, D. C.

DEAR CONGRESSMAN MORRIS: This is in reply to your letter of May 29, 1950, requesting certain information with respect to 1950 cotton-acreage allotments in Oklahoma. We are enclosing a tabulation which shows, by counties, most of the data requested in your letter.

We are unable to furnish you with a count of the number of cotton producers in each county; however, we have listed in column 1 of the enclosed tabulation the number of cotton-acreage allotments in each county, which will represent approximately the number of producers in each county.

Column 2 of the tabulation shows the acreage allotment determined for each county in accordance with the provisions of Public Law 272, Eighty-first Congress. In establishing these county allotments, the State committee held out and used for adjustments the maximum 15 percent provided in the law and, in most instances, county committees in Oklahoma reserved and used the maximum acreage provided for in the law for making adjustments in individual farm allotments.

Columns 6 through 10 show the effects of the application by the county committees of the provisions of Public Law 471, Eighty-first Congress. The application of these provisions resulted in a net increase in the State allotment of only 26,000 acres, although approximately 40,000 acres were granted under the 65-45-40 provision of the

law, and 26,000 acres were reallocated from the acreage released. In some counties, the acreage required to provide the minimum (65-45-40) exceeded the acreage released, in which cases there was no acreage available for reapportionment to hardship cases and new farms. In other counties the county committees were not able to reallocate all of the acreage available because of the two limitations (40 percent of the cropland and past production of cotton) which were placed on the county committee in the law.

The 40-percent provision prevented the county committees from allocating additional acreage allotment to some farms on which a large percentage of the cropland had been devoted to cotton in the past and on which the county committees felt that the allotment was inadequate in view of the past production of cotton.

The "past production of cotton" limitation prevented the county committees, in many instances, from allocating additional allotment to farms on which there is little or no cotton history but which have been acquired through purchase or rental by cotton farmers who have the equipment, experience, and desire to grow more cotton. This provision also eliminated "war crop credit" from consideration in determining the maximum acreage which could be allocated to a farm.

You will recall that Public Law 272 provided for the determination of farm allotments on the basis of a prescribed percentage of the cropland on the farm, provided the acreage allotment so determined did not exceed the highest planted cotton acreage for the farm during the base period. In Comanche County, for example, of the 1,488 cotton allotments established, 162 farms received an allotment equal to the highest

acreage planted in any year during the base period, which represented no reduction in the acreage for these farms and resulted in further reduction in the acreage on all other farms in the county.

Concerning your question as to whether any person received a zero allotment who made application for a new-grower allotment, the county committees established a new-grower allotment for each applicant who was eligible under the provisions of the law.

You will notice that columns 9 and 10 are incomplete. You have not obtained that information for all counties as yet.

There may be some minor changes in some of the items on the enclosed tabulation; however, there will be no substantial change in any of the county totals.

We are unable to answer all of the questions in your letter at this time. For example, we shall not be able to determine the number of producers who received allotments and who planted no cotton until after all cotton acreages have been measured. The eligibility provisions, the determination of allotments based on percentage of cropland, and the war crop credit provisions, as provided in the law, did result in the establishment of allotments on a considerable number of farms on which the producers had no intention of growing cotton in 1950.

We appreciate your interest in this matter and your efforts in connection with cotton legislation. We hope that this information will be helpful and that you will call on us for any additional information which you desire.

Very truly yours,
CHARLES T. CAMERON,
Chairman, Oklahoma State PMA
Committee.

1950 cotton allotments, Oklahoma

| District | County | Number of cotton farms | Original allotment | Number under 5 acres | Number new growers | Acreage of new grower allotment | Acreage released ¹ | Acreage required under 65-45-40 provision ¹ | Acreage reapportioned ¹ | Number new growers receiving additional allotment ¹ | Number old growers receiving additional allotment ¹ |
|----------|------------------|------------------------|--------------------|----------------------|--------------------|---------------------------------|-------------------------------|--|------------------------------------|--|--|
| 1 | Beaver | | | | | | | | | | |
| | Chimarron | | | | | | | | | | |
| | Ellis | 67 | 525.3 | 10 | 5 | 8.0 | 66.4 | 38.1 | 28.3 | 1 | 15 |
| | Harper | | | | | | | | | | |
| | Texas | | | | | | | | | | |
| 2 | Alfalfa | | | | | | | | | | |
| | Garfield | 7 | 78.0 | 4 | 4 | 10.1 | | 3.9 | | | 1 |
| | Grant | | | | | | | | | | |
| | Kay | 45 | 547.5 | 9 | 15 | 62.0 | 37.0 | 12.9 | 7.2 | | |
| | Major | 170 | 877.8 | 55 | 48 | 90.0 | | 177.6 | | | 57 |
| | Noble | 481 | 2,847.0 | 162 | 65 | 109.0 | 87.6 | 434.2 | | | 77 |
| | Woods | | | | | | | | | | |
| | Woodward | 34 | 180.6 | 11 | 3 | 8.0 | 17.0 | 38.8 | | | 2 |
| | Total district 2 | 737 | 4,530.9 | 241 | 135 | 279.1 | 141.6 | 667.4 | 7.2 | | |
| 3 | Craig | 41 | 207.8 | 13 | 1 | 3.0 | 4.5 | 20.3 | | | 2 |
| | Delaware | 5 | 15.0 | 4 | 4 | 10.0 | | | | | |
| | Mayes | 653 | 3,644.3 | 205 | 58 | 87.0 | 252.2 | 53.3 | 162.9 | 22 | 13 |
| | Nowata | 115 | 901.8 | 42 | 30 | 77.0 | 55.5 | 84.3 | 35.4 | 5 | 16 |
| | Osage | 736 | 11,691.6 | 74 | 49 | 203.0 | 1,103.1 | 838.0 | 265.1 | 33 | 138 |
| | Ottawa | | | | | | | | | | |
| | Pawnee | 1,307 | 11,868.2 | 248 | 74 | 143.0 | 563.0 | 295.4 | 268.7 | | |
| | Rogers | 652 | 3,915.8 | 202 | 38 | 58.5 | 373.3 | 93.3 | 267.6 | 29 | 55 |
| | Tulsa | 648 | 8,060.8 | 59 | 23 | 73.0 | 516.2 | 340.3 | 130.5 | 9 | 36 |
| | | | | | | | | | | | |

Footnote at end of table.

1950 cotton allotments, Oklahoma—Continued

| District | County | Number of cotton farms | Original allotment | Number under 5 acres | Number new growers | Acreage of new grower allotment | Acreage released ¹ | Acreage required under 65-45-40 provision ¹ | Acreage reapportioned ¹ | Number new growers receiving additional allotment ¹ | Number old growers receiving additional allotment ¹ |
|----------|------------------------|------------------------|--------------------|----------------------|--------------------|---------------------------------|-------------------------------|--|------------------------------------|--|--|
| | Wagoner..... | 2,112 | 30,259.7 | 317 | 25 | 75.0 | 1,812.8 | 426.8 | 895.7 | 3 | 172 |
| | Washington..... | 76 | 360.7 | 39 | 12 | 18.0 | | 16.8 | | | 3 |
| | Total district 3..... | 6,345 | 70,945.7 | 1,203 | 314 | 747.5 | 4,680.6 | 2,198.5 | 2,023.9 | | |
| 4 | Beckham..... | 2,072 | 66,243.2 | 114 | 115 | 613.8 | 159.9 | 3,097.0 | | | 312 |
| | Blaine..... | 931 | 12,671.1 | 124 | 102 | 371.0 | 484.6 | 753.1 | | | 138 |
| | Custer..... | 1,073 | 18,879.2 | 161 | 168 | 674.1 | 38.2 | 838.4 | | | 115 |
| | Dewey..... | 840 | 7,619.6 | 340 | 218 | 447.8 | | 762.8 | | | |
| | Roger Mills..... | 1,300 | 19,745.0 | 96 | 75 | 245.0 | 90.4 | 1,335.9 | | | |
| | Washita..... | 2,711 | 86,064.3 | 185 | 156 | 944.0 | 78.4 | 296.7 | | | 103 |
| | Total district 4..... | 8,927 | 211,222.4 | 1,020 | 834 | 3,195.7 | 851.5 | 7,083.9 | | | |
| 5 | Canadian..... | 980 | 12,968.5 | 176 | 51 | 216.0 | 661.4 | 1,596.0 | | | 220 |
| | Cleveland..... | 863 | 6,115.7 | 190 | 38 | 144.4 | 946.8 | 168.5 | 684.3 | 14 | 156 |
| | Creek..... | 2,222 | 18,625.6 | 265 | 47 | 196.7 | 787.1 | 156.0 | 542.4 | 9 | 152 |
| | Grady..... | 2,981 | 34,938.2 | 357 | 231 | 709.0 | 522.5 | 3,559.5 | | | 461 |
| | Kingfisher..... | 277 | 1,766.4 | 97 | 49 | 145.0 | 75.4 | 137.1 | | | 29 |
| | Lincoln..... | 1,986 | 13,285.5 | 337 | 52 | 130.6 | 496.4 | 57.1 | 175.1 | 11 | 48 |
| | Logan..... | 1,272 | 9,146.6 | 270 | 86 | 154.0 | 1,297.8 | 368.5 | 929.2 | 46 | 225 |
| | McClain..... | 1,637 | 21,458.9 | 117 | 51 | 142.0 | 1,290.3 | 946.5 | 323.4 | 34 | 319 |
| | Oklfuskee..... | 2,540 | 29,210.0 | 229 | 15 | 95.1 | 643.1 | 528.1 | | | 144 |
| | Oklahoma..... | 359 | 2,964.0 | 83 | 32 | 87.1 | 142.8 | 70.7 | 34.7 | 9 | 12 |
| | Payne..... | 1,093 | 8,110.7 | 256 | 101 | 255.0 | 1,017.5 | 243.4 | 770.2 | 57 | 290 |
| | Pottawatomie..... | 1,286 | 8,393.5 | 289 | 63 | 101.1 | 1,034.9 | 269.2 | 545.4 | 29 | 148 |
| | Seminole..... | 1,548 | 9,344.1 | 455 | 79 | 133.0 | 1,469.2 | 136.6 | 816.2 | 67 | 129 |
| | Total, district 5..... | 19,044 | 176,327.7 | 3,121 | 895 | 2,509.0 | 10,385.2 | 8,235.2 | 4,820.9 | 266 | 2,333 |
| 6 | Adair..... | 33 | 111.5 | 23 | 3 | 8.0 | 13.9 | | 9.0 | 3 | |
| | Cherokee..... | 245 | 1,327.3 | 73 | 20 | 30.0 | 186.8 | 14.9 | 30.0 | 7 | 6 |
| | Haskell..... | 1,390 | 11,484.7 | 146 | 44 | 81.0 | 1,589.8 | 267.7 | 1,262.2 | 21 | 318 |
| | Hughes..... | 2,227 | 18,200.6 | 275 | 72 | 106.0 | 2,573.6 | 234.6 | 1,581.3 | 22 | 374 |
| | McIntosh..... | 2,952 | 34,631.6 | 199 | 13 | 94.3 | 1,607.6 | 455.8 | 1,151.7 | | |
| | Muskogee..... | 2,949 | 50,089.6 | 271 | 70 | 435.0 | 4,040.7 | 141.2 | 1,388.6 | 7 | 231 |
| | Oklmulgee..... | 2,346 | 33,063.8 | 140 | 26 | 140.8 | 1,692.9 | 365.9 | 1,176.2 | 2 | 450 |
| | Pittsburg..... | 1,849 | 19,373.4 | 259 | 55 | 99.0 | 1,861.1 | 195.6 | 1,542.5 | 23 | 303 |
| | Sequoyah..... | 927 | 7,304.9 | 215 | 28 | 43.0 | 1,267.7 | 90.8 | 362.6 | 11 | 64 |
| | Total district 6..... | 14,918 | 175,587.4 | 1,601 | 331 | 1,037.1 | 14,834.0 | 1,766.5 | 8,453.1 | | |
| 7 | Caddo..... | 4,152 | 62,420.0 | 435 | 215 | 968.0 | | 2,874.0 | | | 682 |
| | Comanche..... | 1,478 | 17,571.5 | 200 | 161 | 448.6 | 16.8 | 1,292.2 | | | 264 |
| | Cotton..... | 1,013 | 19,817.2 | 73 | 147 | 800.0 | 158.4 | 895.0 | | | 131 |
| | Greer..... | 1,485 | 52,493.5 | 82 | 76 | 425.0 | 26.6 | 433.9 | | | |
| | Harmon..... | 1,086 | 56,339.3 | 25 | 48 | 494.0 | 107.5 | | 107.5 | 37 | |
| | Jackson..... | 2,056 | 69,478.9 | 280 | 427 | 2,303.0 | 24.6 | 421.0 | | | |
| | Kiowa..... | 1,845 | 53,459.5 | 152 | 216 | 1,110.0 | | 2,192.9 | | | 357 |
| | Tillman..... | 1,568 | 62,074.3 | 79 | 193 | 1,462.5 | | 1,140.4 | | | 133 |
| | Total, district 7..... | 14,683 | 393,654.2 | 1,326 | 1,483 | 8,011.1 | 333.9 | 9,249.4 | 107.5 | | |
| 8 | Atoka..... | 1,067 | 6,001.1 | 351 | 101 | 171.1 | 292.9 | 341.8 | | | |
| | Bryan..... | 2,721 | 28,888.6 | 389 | 82 | 201.8 | 2,500.9 | 1,397.6 | 1,085.8 | 28 | 478 |
| | Carter..... | 828 | 5,169.3 | 237 | 88 | 142.0 | 253.8 | 166.4 | 39.9 | | 50 |
| | Coal..... | 900 | 8,426.2 | 185 | 43 | 66.0 | 779.0 | 133.0 | 643.0 | 17 | 128 |
| | Garvin..... | 1,758 | 16,495.7 | 305 | 103 | 407.7 | 112.2 | 128.4 | 244.9 | 15 | 105 |
| | Jefferson..... | 1,173 | 27,344.3 | 50 | 64 | 32.0 | 229.8 | 4,695.3 | | | 318 |
| | Johnston..... | 685 | 5,753.6 | 225 | 54 | 104.3 | 678.7 | 244.9 | 271.6 | 16 | 88 |
| | Love..... | 1,120 | 16,047.5 | 106 | 42 | 242.7 | 1,983.6 | 362.6 | 1,610.3 | 8 | 350 |
| | Marshall..... | 496 | 8,196.4 | 51 | 12 | 27.0 | 1,167.1 | 211.6 | 721.7 | 9 | 102 |
| | Murray..... | 357 | 2,582.2 | 80 | 16 | 77.0 | 731.5 | 30.1 | 278.8 | 7 | 39 |
| | Pontotoc..... | 1,051 | 6,203.3 | 331 | 63 | 105.0 | 769.4 | 77.5 | 350.4 | 8 | 90 |
| | Stephens..... | 1,779 | 19,118.7 | 223 | 60 | 219.0 | 323.3 | 1,418.2 | | | 221 |
| | Total, district 8..... | 13,935 | 150,236.9 | 2,533 | 728 | 1,795.6 | 10,222.2 | 9,207.4 | 5,246.4 | | |
| 9 | Choctaw..... | 1,760 | 14,550.7 | 396 | 105 | 141.0 | 2,466.4 | 195.8 | 1,429.4 | | |
| | Latimer..... | 492 | 2,244.9 | 209 | 65 | 97.0 | 33.1 | 33.4 | 208.0 | 30 | 45 |
| | Le Flore..... | 2,122 | 17,621.7 | 419 | 35 | 51.0 | 3,504.7 | 220.6 | 980.5 | | |
| | McCurtain..... | 1,599 | 22,538.9 | 332 | 134 | 280.0 | 2,088.4 | 325.7 | 1,458.0 | 66 | 215 |
| | Pushmataha..... | 606 | 3,268.3 | 201 | 64 | 103.0 | 327.6 | 33.3 | 223.5 | 21 | 58 |
| | Total, district 9..... | 6,579 | 60,264.5 | 1,557 | 403 | 672.0 | 8,720.2 | 808.8 | 4,299.4 | | |
| | State..... | 85,235 | 1,243,295.0 | 12,612 | 5,128 | 18,255.1 | 50,235.6 | 39,255.2 | 24,986.7 | | |

¹ Provisions of Public Law No. 471.

Mr. KARSTEN. Mr. Chairman, I yield the balance of the time to the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Chairman, shortly after my daughter first entered school I met her teacher on the street one day and she told me laughingly: "Several days ago I asked your daughter a question. She said, 'I do not know the answer but my Daddy does and I will find out tonight and let you know tomorrow.'"

I am a lawyer and I do not know all of the answers about this accounting procedure. The Gary family, however,

has diversified its activities. I have a brother who is a certified public accountant and who had the privilege of serving as Executive Assistant and Director of Research of the accounting phase of the Hoover Commission investigation. He is now engaged in the installation of a new accounting system in the Coast Guard which will conform with the recommendations of that Commission.

So I turned to him for information on this bill, and this is what he said:

There is no doubt in my mind but that H. R. 9038 represents the best possible ap-

proach to improvement of accounting and auditing for the Federal Government. It is complete consistent and incorporates into law the features of the accounting improvement program that is being conducted in the Coast Guard and other agencies of the Government under the joint program. In addition, it provides for the elimination of duplicate and cumbersome procedures which not only have made the installation of the accounting system in the Coast Guard more difficult, but also will effect economies in the handling of routine transactions.

It is my opinion that this proposed bill is all of the major legislation that is required to do the complete accounting and auditing improvement job for the entire Federal Gov-

ernment. I remember that some time ago you asked me why legislation was not developed that would write into law the approach to this problem that is being made by the joint program. This legislation does just that.

Mr. Chairman, the critical situation which we face today not only requires that we drastically curtail nonmilitary expenditures and eliminate all non-essential expenditures, but that we utilize the most modern budgeting and accounting procedures available to supervise and control the vast expenditures which we must authorize. This bill also does that and I hope it will be enacted into law.

The CHAIRMAN. All time having expired, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Budget and Accounting Procedures Act of 1950."

TITLE I—BUDGETING AND ACCOUNTING

PART I—BUDGETING

Definition

SEC. 101. Section 2 of the Budget and Accounting Act, 1921 (42 Stat. 20), is amended by adding at the end thereof the following: "The term 'appropriations' includes, in appropriate context, funds and authorizations to create obligations by contract in advance of appropriations."

Performance budget and regulations

SEC. 102. (a) Section 201 of such act is amended to read as follows:

"SEC. 201. The President shall transmit to Congress during the first 15 days of each regular session, the budget, which shall set forth his budget message, summary data and text, and supporting detail. The budget shall set forth in such form and detail as the President may determine—

"(a) functions and activities of the Government, constituting a performance budget;

"(b) a segregation of operating, and of capital and investment programs;

"(c) any other desirable classifications of data;

"(d) a reconciliation of the summary data on expenditures with proposed appropriations;

"(e) estimated expenditures and proposed appropriations necessary in his judgment for the support of the Government for the ensuing fiscal year, except that estimated expenditures and proposed appropriations for such year for the legislative branch of the Government and the Supreme Court of the United States shall be transmitted to the President on or before October 15 of each year, and shall be included by him in the budget within revision;

"(f) estimated receipts of the Government during the ensuing fiscal year, under (1) laws existing at the time the budget is transmitted and also (2) under the revenue proposals, if any, contained in the budget;

"(g) actual appropriations, expenditures, and receipts of the Government during the last completed fiscal year;

"(h) estimated expenditures and receipts, and actual or proposed appropriations of the Government during the fiscal year in progress;

"(i) balanced statements of (1) the condition of the Treasury at the end of the last completed fiscal year, (2) the estimated condition of the Treasury at the end of the fiscal year in progress, and (3) the estimated condition of the Treasury at the end of the ensuing fiscal year if the financial proposals contained in the budget are adopted;

"(j) all essential facts regarding the bonded and other indebtedness of the Government; and

"(k) such other financial statements and data as in his opinion are necessary or desirable in order to make known in all practicable detail the financial condition of the Government."

(b) Section 203 of such act is amended to read as follows:

"SEC. 203. (a) The President from time to time may transmit to Congress such proposed supplemental or deficiency appropriations as in his judgment (1) are necessary on account of laws enacted after the transmission of the budget, or (2) are otherwise in the public interest. He shall accompany such proposals with a statement of the reasons therefor, including the reasons for their omission from the budget.

"(b) Whenever such proposed supplemental or deficiency appropriations reach an aggregate which, if they had been contained in the budget, would have required the President to make a recommendation under subsection (a) of section 202, he shall thereupon make such recommendation."

(c) Section 204 of such act is amended to read as follows:

"SEC. 204. Except as otherwise provided in this act, the contents, order, and arrangement of the proposed appropriations and the statements of expenditures and estimated expenditures contained in the budget or transmitted under section 203, and the notes and other data submitted therewith, shall conform to requirements prescribed by the President."

(d) Section 205 of such act is amended to read as follows:

"SEC. 205. Whenever any basic change is made in the form of the budget, the President, in addition to the budget, shall transmit to Congress such explanatory notes and tables as may be necessary to show where the various items embraced in the budget of the prior year are contained in the new budget."

(e) The last sentence of section 207 of such act is amended to read as follows: "The Bureau, under such rules and regulations as the President may prescribe, shall prepare the budget, and any proposed supplemental or deficiency appropriations, and to this end shall have authority to assemble, correlate, revise, reduce, or increase the requests for appropriations of the several departments or establishments."

(f) Section 214 of such act is amended to read as follows:

"SEC. 214. The head of each department and establishment shall prepare or cause to be prepared in each year his requests for regular, supplemental, or deficiency appropriations."

(g) Section 215 of such act is amended to read as follows:

"SEC. 215. The head of each department and establishment shall submit his requests for appropriations to the Bureau on or before a date which the President shall determine. In case of his failure to do so, the President shall cause such requests to be prepared as are necessary to enable him to include such requests with the Budget in respect to the work of such department or establishment."

(h) Section 216 of such act is amended to read as follows:

"SEC. 216. Requests for regular, supplemental, or deficiency appropriations which are submitted to the Bureau by the head of any department or establishment shall be prepared and submitted as the President may determine in accordance with the provisions of section 201."

Transitory provisions

SEC. 103. In order to expedite the conversion from present budgeting and accounting methods to the performance type of Budget

contemplated in the amendments made by this part, the head of each department and establishment in the executive branch of the Government, with the approval of the President, is authorized and directed, until the end of the second full fiscal year following the date of the enactment of this act, to make such transfers and adjustments within his department or establishment between appropriations available for obligation by such department or establishment in such manner as he deems necessary to cause the obligation and administration of funds and the reports of expenditures to reflect the financial requirements of the functions and activities of the department or establishment. Reports of transfers and adjustments made pursuant to the authority of this section shall be made currently to the President and the Congress.

Government statistical activities

SEC. 104. The President, through the Director of the Bureau of the Budget, is authorized and directed to develop programs and to issue regulations and orders for the improved gathering, compiling, analyzing, publishing, and disseminating of statistical information for any purpose by the various agencies in the executive branch of the Government. Such regulations and orders shall be adhered to by such agencies.

Improved administration of executive agencies

SEC. 105. The President, through the Director of the Bureau of the Budget, is authorized and directed to evaluate and develop improved plans for the organization, coordination, and management of the executive branch of the Government with a view to efficient and economical service.

Business-type budgets

SEC. 106. The first two sentences of section 102 of the Government Corporation Control Act of 1945 (59 Stat. 597), are amended to read as follows: "Each wholly owned Government corporation shall cause to be prepared annually a business-type budget which shall be submitted to the Bureau of the Budget, under such rules and regulations as the President may establish as to the date of submission, the form and content, the classification of data, and the manner in which such budget program shall be prepared and presented."

PART II—ACCOUNTING AND AUDITING

Short title

SEC. 110. This part may be cited as the "Accounting and Auditing Act of 1950."

Declaration of policy

SEC. 111. It is the policy of the Congress in enacting this part that—

(a) The accounting of the Government provide full disclosure of the results of financial operations, adequate financial information needed in the management of operations and the formulation and execution of the budget, and effective control over income, expenditures, funds, property, and other assets.

(b) Full consideration to be given to the needs and responsibilities of both the legislative and executive branches in the establishment of accounting and reporting systems and requirements.

(c) The maintenance of accounting systems and the producing on financial reports with respect to the operations of executive agencies, including central facilities for bringing together and disclosing information on the results of the financial operations of the Government as a whole, be the responsibility of the executive branch.

(d) The auditing for the Government, conducted by the Comptroller General of the United States as an agent of the Congress be directed at determining the extent to

which accounting and related financial reporting fulfill the purposes specified, financial transactions have been consummated in accordance with laws, regulations or other legal requirements, and adequate internal financial control over operations is exercised, and afford an effective basis for the settlement of accounts of accountable officers.

(e) Emphasis be placed on effecting orderly improvements resulting in simplified and more effective accounting, financial reporting, budgeting, and auditing requirements and procedures and on the elimination of those which involve duplication or which do not serve a purpose commensurate with the costs involved.

(f) The Comptroller General of the United States, the Secretary of the Treasury, and the Director of the Bureau of the Budget conduct a continuous program for the improvement of accounting and financial reporting in the Government.

Accounting and reporting provisions

SEC. 112. (a) The Comptroller General of United States, after consulting the Secretary of the Treasury and the Director of the Bureau of the Budget concerning their accounting, financial reporting, and budgetary needs, and considering the needs of the other executive agencies, shall prescribe the principles, standards, and related requirements for accounting to be observed by each executive agency, including requirements for suitable integration between the accounting processes of each executive agency and the accounting of the Treasury Department. Requirements prescribed by the Comptroller General shall be designed to permit the executive agencies to carry out their responsibilities under section 113 of this part, while providing a basis for integrated accounting for the Government, full disclosure of the results of the financial operations of each executive agency and the Government as a whole, and financial information and control necessary to enable the Congress and the President to discharge their respective responsibilities. The Comptroller General shall continue to exercise the authority vested in him by section 205 (b) of the Federal Property and Administrative Services Act of 1949 (63 Stat. 389) and, to the extent he deems necessary, the authority vested in him by section 309 of the Budget and Accounting Act, 1921 (42 Stat. 25). Any such exercise of authority shall be consistent with the provisions of this section.

(b) The General Accounting Office shall cooperate with the executive agencies in the development of their accounting systems, including the Treasury Department, in the development and establishment of the system of central accounting and reporting required by section 114 of this part. Such accounting systems shall be approved by the Comptroller General when deemed by him to be adequate and in conformity with the principles, standards, and related requirements prescribed by him.

(c) The General Accounting Office shall from time to time review the accounting systems of the executive agencies. The results of such reviews shall be available to the heads of the executive agencies concerned, to the Secretary of the Treasury, and to the Director of the Bureau of the Budget, and the Comptroller General shall make such reports thereon to the Congress as he deems proper.

SEC. 113. (a) The head of each executive agency shall establish and maintain systems of accounting and internal control designed to provide—

(1) full disclosure of the financial results of the agency's activities;

(2) adequate financial information needed for the agency's management purposes;

(3) effective control over and accountability for all funds, property, and other

assets for which the agency is responsible, including appropriate internal audit;

(4) reliable accounting results to serve as the basis for preparation and support of the agency's budget requests, for controlling the execution of its budget, and for providing financial information required by the Bureau of the Budget under section 213 of the Budget and Accounting Act, 1921 (42 Stat. 23);

(5) suitable integration of the accounting of the agency with the accounting of the Treasury Department in connection with the central accounting and reporting responsibilities imposed on the Secretary of the Treasury by section 114 of this part.

(b) The accounting systems of executive agencies shall conform to the principles, standards, and related requirements prescribed by the Comptroller General pursuant to section 112 (a) of this part.

SEC. 114. (a) The Secretary of the Treasury shall prepare such reports for the information of the President, the Congress, and the public as will present the results of the financial operations of the Government: *Provided*, That there shall be included such financial data as the Director of the Bureau of the Budget may require in connection with the preparation of the budget or for other purposes of the Bureau. Each executive agency shall furnish the Secretary of the Treasury such reports and information relating to its financial condition and operations as the Secretary, by rules and regulations, may require for the effective performance of his responsibilities under this section.

(b) The Secretary of the Treasury is authorized to establish the facilities necessary to produce the financial reports required by subsection (a) of this section. The Secretary is further authorized to reorganize the accounting functions and install, revise, or eliminate accounting procedures and financial reports of the Treasury Department in order to develop effective and coordinated systems of accounting and financial reporting in the several bureaus and offices of the Department with such concentration of accounting and reporting as is necessary to accomplish integration of accounting results for the activities of the Department and provide the operating center for the consolidation of accounting results of other executive agencies with those of the Department. The authority vested in and the duties imposed upon the Department by sections 10, 15, and 22 of the act entitled "An act making appropriations for the legislative, executive, and judicial branches of the Government for the fiscal year ending June 30, 1895, and for other purposes", approved July 31, 1894 (28 Stat. 162, 208-210), may be exercised and performed by the Secretary of the Treasury as a part of his broader authority and duties under this section and in such a manner as to provide a unified system of central accounting and reporting on the most efficient and useful basis.

(c) The system of central accounting and reporting provided for herein shall be consistent with the principles, standards, and related requirements prescribed by the Comptroller General pursuant to section 112 of this part.

SEC. 115. (a) When the Secretary of the Treasury and the Comptroller General determine that existing procedures can be modified in the interest of simplification, improvement, or economy, with sufficient safeguards over the control and accounting for the public funds, they may issue joint regulations providing for the waiving, in whole or in part, of the requirements of existing law that—

(1) warrants be issued and countersigned in connection with the receipt, retention,

and disbursement of public moneys and trust funds; and

(2) funds be requisitioned, and advanced to accountable officers under each separate appropriation head or otherwise.

(b) Such regulations may further provide for the payment of vouchers by authorized disbursing officers by means of checks issued against the general account of the Treasurer of the United States: *Provided*, That in such case the regulations shall provide for appropriate action in the event of delinquency by disbursing officers in the rendition of their accounts or for other reasons arising out of the condition of the officers' accounts, including under necessary circumstances, the suspension or withdrawal of authority to disburse.

SEC. 116. The Comptroller General is authorized to discontinue the maintenance in the General Accounting Office of appropriation, expenditure, limitation, receipt, and personal ledger accounts when in his opinion the accounting systems and internal control of the executive, legislative, and judicial agencies are sufficient to enable him to perform properly the functions to which such accounts relate.

Auditing provisions

SEC. 117. (a) Except as otherwise specifically provided by law, the financial transactions of each executive, legislative, and judicial agency, including but not limited to the accounts of accountable officers, shall be audited by the General Accounting Office in accordance with such principles and procedures and under such rules and regulations as may be prescribed by the Comptroller General of the United States. In the determination of auditing procedures to be followed and the extent of examination of vouchers and other documents, the Comptroller General shall give due regard to generally accepted principles of auditing, including consideration of the effectiveness of accounting organizations and systems, internal audit and control, and related administrative practices of the respective agencies.

(b) Whenever the Comptroller General determines that the audit shall be conducted at the place or places where the accounts and other records of an executive agency are normally kept, he may require any executive agency to retain in whole or in part accounts of accountable officers, contracts, vouchers, and other documents, which are required under existing law to be submitted to the General Accounting Office, under such conditions and for such period not exceeding 10 years as he may specify, unless a longer period is agreed upon with the executive agency: *Provided*, That under agreements between the Comptroller General and legislative and judicial agencies the provisions of this sentence may be extended to the accounts and records of such agencies.

General provisions

SEC. 118. As used in this part, the term "executive agency" means any executive department or independent establishment in the executive branch of the Government but (a) except for the purposes of sections 114, 116, and 119 shall not include any Government corporation or agency subject to the Government Corporation Control Act (59 Stat. 597), and (b) except for the purposes of sections 111, 114, and 116 shall not include the Post Office Department.

SEC. 119. The head of each executive agency is authorized to designate the place or places, at the seat of government or elsewhere, at which the administrative examination of fiscal officers' accounts will be performed, and with the concurrence of the Comptroller General to waive the administrative examination in whole or in part: *Provided*, That the same authority is hereby conferred upon the officers responsible for the administra-

tive examination of accounts for legislative and judicial agencies.

TITLE II—APPROPRIATIONS

TRANSFERS BETWEEN APPROPRIATIONS

SEC. 201. After the end of the second full fiscal year following the date of enactment of this act, with the approval of the President, the head of each department and establishment in the executive branch of the Government is authorized to make transfers and adjustments between appropriations within his department or establishment in order to promote economy and efficiency, but no appropriation shall be increased or decreased thereby during any fiscal year by more than 5 percent. Reports of such transfers and adjustments with the reasons therefor shall be made currently to the President and the Congress and shall be summarized annually in the budget.

AUTHORIZATIONS FOR APPROPRIATIONS

SEC. 202. No request for legislation, which, if enacted, would authorize subsequent appropriations for a department or establishment in the executive branch of the Government, shall be transmitted to the Bureau of the Budget, to the President, or to the Congress by such department or establishment, or by any organizational unit thereof, without the prior approval of the head of such department or establishment.

REDUCTIONS IN APPROPRIATIONS

SEC. 203. To promote economy and to reduce expenditures, the President is authorized to establish and to modify from time to time reserves from appropriations for the executive branch of the Government to the extent that he determines that the purposes intended by the Congress will be accomplished by the expenditure of amounts less than the amounts appropriated.

ADJUSTMENT OF APPROPRIATIONS FOR REORGANIZATION

SEC. 204. (a) When under authority of law a function or an activity is transferred or assigned from one agency within any department or establishment to another agency in the same department or establishment, the balance of appropriations which are determined by the head of such department or establishment to be available and necessary to finance or discharge the function or activity so transferred or assigned may, with the approval of the President, be transferred to, and be available for use by, the agency to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby authorized to be established, and shall be merged with funds in the applicable existing or newly established appropriation account or accounts and thereafter accounted for as one fund.

(b) When under authority of law a function or activity is transferred or assigned from one department or establishment to another department or establishment, the balance of appropriations which are determined by the President to be available and necessary to finance or discharge the function or activity so transferred or assigned, shall be transferred to and be available for use by the department or establishment to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby authorized to be established, and shall be merged with funds in the applicable existing or newly established appropriation account or ac-

counts and thereafter accounted for as one fund.

TITLE III—REPEALS AND SAVINGS PROVISIONS

REPEALS

SEC. 301. The following acts and parts of acts are hereby repealed:

(1) Section 10 of the act of August 1, 1914 (38 Stat. 680; U. S. C., title 31, sec. 582).

(2) So much of section 4 of the act of June 20, 1874 (18 Stat. 109; U. S. C., title 31, sec. 583 (1)), as reads: "and hereafter the Secretary of the Treasury shall annually submit to Congress detailed estimates of appropriations required for said expenses;"

(3) The last proviso in the first paragraph under the heading "Judgments; United States Courts" of the act of April 27, 1904 (33 Stat. 422; U. S. C., title 31, sec. 583 (2)).

(4) The last sentence of section 5 of the act of August 5, 1882 (22 Stat. 256; U. S. C., title 31, sec. 583 (3)).

(5) So much of the matter appearing under the heading "Mints and Assay Offices" of the act of March 4, 1911 (36 Stat. 1292; U. S. C., title 31, sec. 583 (4)), as reads: "and the Secretary of the Treasury shall, for the fiscal year 1913, and annually thereafter, submit to Congress, in the regular book of estimates, detailed estimates for the expenses of this Service."

(6) So much of the matter appearing under the heading "Treasury Department" in the act of August 26, 1912 (37 Stat. 596; U. S. C., title 31, sec. 583 (5)), as reads: "Provided further, That estimates hereunder shall be submitted in detail for the fiscal year 1914, and annually thereafter."

(7) The last sentence of the paragraph under the heading "Federal Farm Loan Board" of the act of September 8, 1916 (U. S. C., title 31, sec. 583 (7)), appearing on page 803 of volume 39 of the Statutes at Large; and the third and last paragraph under the heading "Federal Farm Loan Bureau" of the act of March 3, 1917 (U. S. C., title 31, sec. 583 (7)), appearing on page 1084 of volume 39 of the Statutes at Large.

(8) The last sentence on page 48 of volume 30 of the Statutes at Large, in the act of June 4, 1897 (U. S. C., title 31, sec. 583 (8)).

(9) The first sentence of section 6 of the act of March 3, 1919 (40 Stat. 1309; U. S. C., title 31, sec. 583 (10)).

(10) The last proviso under the heading "Office of the Chief Signal Officer" of the act of March 2, 1907 (34 Stat. 1159; U. S. C., title 31, sec. 583 (11)).

(11) The sixth full paragraph appearing on page 648 of volume 29 of the Statutes at Large in the act of March 3, 1897 (U. S. C., title 31, sec. 583 (13)).

(12) So much of the matter following the heading "Bureau of Mines" in the act of March 3, 1915 (38 Stat. 858; U. S. C., title 31, sec. 583 (14)) as reads: "estimates shall be submitted specifically for all personal services required permanently and entirely in the Bureau of Mines at Washington, D. C., and previously paid from lump-sum or general appropriations;"

(13) The proviso at the end of the fourth paragraph on page 312 of volume 37 of the Statutes at Large, in the act of August 17, 1912 (U. S. C., title 31, sec. 583 (15)).

(14) The third paragraph appearing on page 1082 of volume 32 of the Statutes at Large, in the act of March 3, 1903 (U. S. C., title 31, sec. 583 (16)).

(15) So much of section 12 of the act of June 26, 1906 (34 Stat. 480; U. S. C., title 31, sec. 583 (18)), as reads: "and he shall annually submit to Congress estimates to cover the cost of the establishment and maintenance of fish hatcheries in Alaska, the salaries and actual traveling expenses of such officials, and for such other expenditures as may be necessary to carry out the provisions of this act."

(16) The proviso at the end of the first full paragraph on page 456 of volume 32 of the Statutes at Large, in the act of June 28, 1902 (U. S. C., title 31, sec. 583 (20)).

(17) The second full paragraph on page 841 of volume 38 of the Statutes at Large, in the act of March 3, 1915 (U. S. C., title 31, sec. 583 (21)).

(18) The fourth full paragraph on page 2 of volume 38 of the Statutes at Large, in the act of May 1, 1913 (U. S. C., title 31, sec. 583 (22)).

(19) The proviso at the end of the second paragraph under the heading "Bureau of Immigration and Naturalization" of the act of March 4, 1907 (34 Stat. 1329, 1330; U. S. C., title 31, sec. 583 (23)).

(20) The second full paragraph on page 374 of volume 35 of the Statutes at Large, in the act of May 27, 1908 (U. S. C., title 31, sec. 583 (25)).

(21) So much of the last paragraph on page 396 of volume 37 of the Statutes at Large, in the act of August 23, 1912 (U. S. C., title 31, sec. 583 (26)), as reads: "For the fiscal year 1914 and annually thereafter estimates in detail shall be submitted for all personal services required in the Indian Office."

(22) The proviso at the end of the first full paragraph on page 646 of volume 41 of the Statutes at Large, in the act of May 29, 1920 (U. S. C., title 31, sec. 584).

(23) Section 3660 of the Revised Statutes (U. S. C., title 31, sec. 585).

(24) Section 4 of the act of June 22, 1906 (34 Stat. 448; U. S. C., title 31, sec. 586).

(25) Section 4 of the act of March 4, 1909 (35 Stat. 907; U. S. C., title 31, sec. 587).

(26) Section 2 of the act of June 30, 1906 (34 Stat. 762; U. S. C., title 31, sec. 588); and the proviso in the first paragraph on page 1367 of volume 34 of the Statutes at Large, in the act of March 4, 1907 (U. S. C., title 31, sec. 588).

(27) Section 3661, as amended, of the Revised Statutes (U. S. C., title 31, sec. 589).

(28) So much of the first paragraph on page 255 of volume 24 of the Statutes at Large, in the act of August 4, 1886 (U. S. C., title 21, sec. 590), as reads: "Provided further, That all printing and engraving for the Geological Survey, the Coast and Geodetic Survey, the Hydrographic Office of the Navy Department, and the Signal Service shall hereafter be estimated for separately and in detail, and appropriated for separately for each of said bureaus."

(29) Section 3662 of the Revised Statutes (U. S. C., title 31, sec. 591).

(30) Section 3663 of the Revised Statutes, as amended (U. S. C., title 31, sec. 594).

(31) Section 3664 of the Revised Statutes (U. S. C., title 31, sec. 597).

(32) Section 3665 of the Revised Statutes (U. S. C., title 31, sec. 598).

(33) The second paragraph under the heading "Revenue Cutter Service" in the act of March 2, 1889 (25 Stat. 907; U. S. C., title 31, sec. 600).

(34) So much of the second full paragraph on page 512 of volume 24 of the Statutes at Large, in the act of March 3, 1887 (U. S. C., title 31, sec. 601), as reads: "That the Secretary of the Treasury shall for the fiscal year 1887, and for each fiscal year thereafter in the annual estimates, report to Congress the number of persons employed outside of the District of Columbia, as superintendents, clerks, watchmen and otherwise, and paid from appropriations for the construction of public buildings showing where said persons are employed, in what capacity, the length of time and at what rate of compensation."

(35) So much of the sixth full paragraph on page 374 of volume 26 of the Statutes at Large, in the act of August 30, 1890 (U. S. C., title 31, sec. 601) as reads: "and hereafter the Secretary of the Treasury shall annually report to Congress in the book of

estimates a statement of the expenditure of the appropriation for 'repairs and preservation of public buildings' which shall show the amount expended on each public building and the number of persons employed and paid salaries from such appropriation."

(36) So much of section 1317 of the Revenue Act of 1921 (42 Stat. 314; U. S. C., title 31, sec. 602) as reads: "and the Secretary of the Treasury shall submit for the fiscal year 1921, and annually thereafter, an estimate of appropriations to refund and pay back duties or taxes erroneously or illegally assessed or collected under the internal revenue laws, and to pay judgments, including interest and costs, rendered for taxes or penalties erroneously or illegally assessed or collected under the internal revenue laws".

(37) The first paragraph on page 133 of volume 22 of the Statutes at Large, in the act of July 1, 1882 (U. S. C., title 31, sec. 603).

(38) The eighth paragraph under the heading "Foreign Intercourse" of the act of May 3, 1905 (33 Stat. 1214; U. S. C., title 31, sec. 603).

(39) The last paragraph on page 48 of volume 30 of the Statutes at Large, in the act of June 4, 1897 (U. S. C., title 31, sec. 604).

(40) The eighth paragraph under the heading "Under the Engineer Department" of the act of February 13, 1913 (37 Stat. 671; U. S. C., title 31, sec. 605).

(41) The sixth paragraph under the heading "Fortifications in Insular Possessions" of the act of March 3, 1905 (33 Stat. 847; U. S. C., title 31, sec. 606).

(42) So much of the first section of the act of August 4, 1886 (24 Stat. 246; U. S. C., title 31, sec. 607), as reads: "the estimates for the Army and Navy hospital service shall be submitted as a part of the Military Establishment."

(43) The first full paragraph on page 117 of volume 31 of the Statutes at Large, in the act of April 17, 1900 (U. S. C., title 31, sec. 609).

(44) Section 3668 of the Revised Statutes (U. S. C., title 31, sec. 610).

(45) So much of the first paragraph on page 357 of volume 20 of the Statutes at Large, in the act of March 3, 1879 (U. S. C., title 31, sec. 611), as reads: "Provided, That hereafter, in making his estimates for railway mail service the Postmaster General shall separate the estimate for postal-car service from the general estimates; and in case any increase or diminution of service by postal cars shall be made by him, the reasons therefor shall be given in his annual report next succeeding such increase or diminution."

(46) So much of the first paragraph under the heading "United States Geological Survey" in the act of March 3, 1887 (24 Stat. 527; U. S. C., title 31, sec. 612), as reads: "and hereafter the estimates for the Geological Survey shall be itemized."

(47) The first paragraph on page 455 of volume 32 of the Statutes at Large, in the act of June 28, 1902 (U. S. C., title 31, sec. 612).

(48) Section 4 of the act of August 15, 1876 (19 Stat. 200; U. S. C., title 31, sec. 613).

(49) The fourth paragraph of section 26 of the act of June 30, 1913 (38 Stat. 103, U. S. C., title 31, sec. 613).

(50) The eighth full paragraph on page 1421 of volume 36 of the Statutes at Large, in the act of March 4, 1911 (U. S. C., title 31, sec. 614).

(51) The eighth full paragraph on page 1206 of volume 33 of the Statutes at Large, in the act of March 3, 1905 (U. S. C., title 31, sec. 615).

(52) The fourth full paragraph under the heading "Government in the Territories" of the act of July 16, 1914 (38 Stat. 479; U. S. C., title 31, sec. 616).

(53) The first full paragraph on page 492 of volume 39 of the Statutes at Large, in

the act of August 11, 1916 (U. S. C., title 31, sec. 617).

(54) The proviso in the first paragraph under the heading "Rent in the District of Columbia" of the act of March 4, 1915 (38 Stat. 1108; U. S. C., title 31, sec. 617).

(55) The seventh paragraph on page 423 of volume 32 of the Statutes at Large, in the act of June 28, 1902 (U. S. C., title 31, sec. 618).

(56) The ninth full paragraph on page 755 of volume 36 of the Statutes at Large, in the act of June 25, 1910 (U. S. C., title 31, sec. 618).

(57) The fourth full paragraph on page 362 of volume 27 of the Statutes at Large, in the act of August 5, 1892 (U. S. C., title 31, sec. 619).

(58) The first full paragraph on page 764 of volume 36 of the Statutes at Large, in the act of June 25, 1910 (U. S. C., title 31, sec. 620).

(59) Section 6 of the act of August 1, 1914 (38 Stat. 679; U. S. C., title 31, sec. 621).

(60) The last full sentence in the first paragraph on page 254 of volume 23 of the Statutes at Large, in the act of July 7, 1884 (U. S. C., title 31, sec. 622).

(61) Section 5 of the act of June 30, 1906 (34 Stat. 763; U. S. C., title 31, sec. 626).

(62) The proviso at the end of the first paragraph on page 579 of volume 37 of the Statutes at Large, in the act of August 24, 1912 (U. S. C., title 31, sec. 626).

(63) Section 7, as amended, of the act of August 26, 1912 (37 Stat. 626; 37 Stat. 790; U. S. C., title 31, sec. 629).

(64) The fourth full paragraph on page 854 of volume 37 of the Statutes at Large, in the act of March 4, 1913 (U. S. C., title 31, sec. 630).

(65) The proviso at the end of the seventh paragraph on page 1030 of volume 31 of the Statutes at Large, in the act of March 3, 1901 (U. S. C., title 31, sec. 633).

(66) The second paragraph under the heading "Contingent, Bureau of Ordnance" of the act of July 12, 1921 (42 Stat. 128; U. S. C., title 31, sec. 636), down through the first proviso therein.

(67) So much of the third paragraph under the heading "Contingent expenses, Navy Department" of the act of June 22, 1906 (34 Stat. 427; U. S. C., title 31, sec. 637), as reads: "and hereafter it shall not be lawful to expend, for any of the offices or bureaus of the Navy Department at Washington, any sum out of appropriations made for the Naval Establishment for any of the purposes mentioned or authorized in the said foregoing paragraph."

(68) So much of the paragraph under the heading "Increase of the Navy, equipment" of the act of March 3, 1915 (38 Stat. 952; U. S. C., title 31, sec. 648), as reads: "and beginning with July 1, 1915, equipment outfits shall be charged to appropriation 'Increase of the Navy, Construction and machinery.'"

(69) The two provisos in the paragraph under the heading "Fuel and transportation" of the act of March 3, 1915 (38 Stat. 944; U. S. C., title 31, sec. 649).

(70) The proviso in the tenth paragraph on page 236, of volume 28 of the Statutes at Large, in the act of August 6, 1894 (U. S. C., title 31, sec. 650).

(71) The fourth full paragraph on page 1175 of volume 34 of the Statutes at Large, in the act of March 2, 1907 (U. S. C., title 31, sec. 655).

(72) So much of the first full paragraph on page 1391 of volume 42 of the Statutes at Large, in the act of March 2, 1923 (U. S. C., title 31, sec. 656), as reads: "and the budget estimates for each of such appropriations shall hereafter carry separately the amounts required for such transportation costs."

(73) The proviso in the seventh full paragraph on page 520 of volume 32 of the Stat-

utes at Large, in the act of June 30, 1902 (U. S. C., title 31, sec. 657).

(74) The proviso in lines 2 through 8 on page 710 of volume 36 of the Statutes at Large, in the act of June 25, 1910 (U. S. C., title 31, sec. 664).

(75) Section 3682 of the Revised Statutes (U. S. C., title 31, sec. 674).

(76) Section 3683 of the Revised Statutes (U. S. C., title 31, sec. 675).

(77) The second full paragraph on page 1303 of volume 41 of the Statutes at Large, in the act of March 3, 1921 (U. S. C., title 31, sec. 676).

(78) The proviso in lines 7 through 17 on page 203 of volume 20 of the Statutes at Large, in the act of June 19, 1878 (U. S. C., title 31, sec. 677).

(79) Section 3684 of the Revised Statutes (U. S. C., title 31, sec. 681).

(80) Section 6 of the act of May 30, 1908 (U. S. C., title 31, sec. 683).

(81) So much of the paragraph under the heading "Pay of Assistant Custodians and Janitors," on pages 1153 and 1154 of volume 31 of the Statutes at Large, in the act of March 3, 1901 (U. S. C., title 31, sec. 684), as reads: "and hereafter no other fund appropriated shall be used for this service."

(82) The second paragraph under the heading "United States Commerce Court" of the act of March 4, 1911 (36 Stat. 1234; U. S. C., title 31, sec. 687).

(83) Section 26 of the act of June 30, 1913 (38 Stat. 103; U. S. C., title 31, sec. 688).

(84) Section 400 of the Second Deficiency Appropriation Act, 1947 (U. S. C., title 31, sec. 694).

(85) Section 607 of the act of June 30, 1945, as amended (59 Stat. 304; U. S. C., title 5, sec. 947).

(86) Section 3 of the act of March 3, 1875, as amended (18 Stat. 370; U. S. C., title 31, sec. 624).

(87) So much of the act of March 26, 1934, as amended (48 Stat. 466; U. S. C., title 5, sec. 118c), as reads "with the budget estimates."

(88) So much of the paragraph under the heading "Department of State" in the act of August 5, 1909 (36 Stat. 119; U. S. C., title 5, sec. 157), as reads: "and estimates for further appropriations hereunder shall include in detail salaries for all persons to be employed and paid in the Department of State at Washington, District of Columbia."

(89) The last proviso under the heading "Working Capital Fund" in the act of July 12, 1943 (57 Stat. 393; U. S. C., title 5, sec. 558a).

(90) So much of section 17 of the act of May 22, 1920, as amended (41 Stat. 620; U. S. C., title 5, sec. 730), as reads: "annually to the Bureau of the Budget."

(91) Section 31 of the act of September 7, 1916, as amended (39 Stat. 749; U. S. C., title 5, sec. 732).

(92) The last sentence of section 35 of the act of September 7, 1916, as amended (39 Stat. 749; U. S. C., title 5, sec. 785).

(93) So much of section 1 of the act of October 1, 1890 (26 Stat. 653; U. S. C., title 10, sec. 214), as reads: "and the Signal Corps of the Army shall remain a part of the Military Establishment under the direction of the Secretary of War, and all estimates for its support shall be included with other estimates for the support of the Military Establishment."

(94) The last proviso of section 4 of the act of March 12, 1926 (44 Stat. 206; U. S. C., title 10, sec. 1597).

(95) So much of section 1 of the act of June 12, 1917, as amended (40 Stat. 153; U. S. C., title 16, sec. 452), as reads: "and the Secretary of the Interior is directed to submit, for the fiscal year 1919 and annually thereafter, estimates of the amounts required for the care, maintenance, and development of the said parks."

(96) So much of section 1 of the act of July 24, 1876, as amended (19 Stat. 99; U. S. C., title 24, sec. 278), as requires estimates for the care and maintenance of the national military cemeteries to be submitted annually by the Director of the National Park Service.

(97) So much of section 1 of the act of January 24, 1923 (42 Stat. 1208; U. S. C., title 31, sec. 12), as reads: "The aggregate of all estimates of appropriations from the 'reclamation fund' contained in the budget for any fiscal year shall be included in the totals of the budget for that year."

(98) The second paragraph under the heading "Pay, miscellaneous" of the act of March 3, 1909 (35 Stat. 754; U. S. C., title 31, sec. 609a).

(99) The third paragraph under the heading "Office of the Fourth Assistant Postmaster General" of the act of June 9, 1896 (29 Stat. 316; U. S. C., title 31, sec. 610a).

(100) The last proviso under the heading "National Home for Disabled Volunteer Soldiers" of the act of October 2, 1888, as amended (25 Stat. 543; U. S. C., title 31, sec. 719).

(101) Section 119 of the act of June 3, 1916 (39 Stat. 213; U. S. C., title 32, sec. 25).

(102) So much of the fourth full paragraph on page 558 of volume 39 of the Statutes at Large in the act of August 29, 1916 (U. S. C., title 34, sec. 504), as reads: "and the Secretary of the Navy shall each year, in the annual estimates, report to Congress the number of persons so employed, their duties, and the amount paid to each."

(103) The last proviso in the third paragraph on page 377 of volume 37 of the Statutes at Large in the act of August 23, 1912 (U. S. C., title 39, sec. 769).

(104) Section 27 of the act of January 12, 1895, as amended (28 Stat. 604; U. S. C., title 44, sec. 37).

(105) The eighth full paragraph on page 382 of volume 35 of the Statutes at Large in the act of May 27, 1908 (U. S. C., title 44, sec. 37).

(106) The last paragraph under the heading "Government in the Territories" in the act of June 20, 1874 (18 Stat. 99; U. S. C., title 48, sec. 1456).

SAVING PROVISIONS

SEC. 302. (a) The omission of any provision of law from the provisions of law repealed under section 301 shall not be construed as limiting the application of section 201 or 216 of the Budget and Accounting Act, 1921, as amended, or the powers of the President thereunder, or as evidencing an intent that such provision was not to be superseded by such sections.

(b) Whenever any law authorizes expenditures for a particular object or purpose to be made from an appropriation item referred to in such law by the specific title theretofore used for that appropriation item in the appropriation act concerned, and thereafter such title is changed or is eliminated from such appropriation act, expenditures for such object or purpose thereafter may be made from any corresponding appropriation item.

(c) Except where authority for performance of a function is specifically repealed in section 301, none of the provisions of such section shall be construed as affecting the jurisdiction or responsibility of any agency or officer of the Government over any function or organizational unit referred to in such section.

(d) Existing laws, policies, procedures, and directives pertaining to functions covered by this act, and not inconsistent herewith or repealed hereby, shall remain in full force and effect unless and until superseded, or except as they may be amended, under the authority of this act or under other appropriate authority.

With the following committee amendments:

Page 6, line 17, strike out all of section 103.

Page 7, line 11, strike out "104" and insert "103."

Page 7, line 20, strike out "105" and insert "104."

Page 8, line 2, strike out "106" and insert "105."

Page 18, line 2, strike out all of section 201.

Page 18, line 16, strike out "202" and insert "201."

Page 19, line 1, strike out all of section 203.

Page 19, line 10, strike out "204" and insert "202."

The committee amendments were agreed to.

Mr. KARSTEN. Mr. Chairman, I have four minor amendments at the Clerk's desk. I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. KARSTEN:

Page 1, line 7, strike out "Definition."

Page 2, line 4, strike out "Performance Budget and Regulations"; line 13, strike out the comma and insert in lieu thereof a semicolon; line 14, strike out "constituting a performance budget;"; lines 15 and 16, strike out "(b) a segregation of operating, and of capital and investment programs;".

Page 4, line 22, after "Sec. 204", insert "(a)."

Page 5, line 3, insert:

"(b) The budget and statements furnished with any proposed supplemental or deficiency appropriations shall be accompanied by information as to personal services and other objects of expenditure in the same manner and form as in the budget for the fiscal year 1950: *Provided*, That this requirement may be waived or modified, either generally or in specific cases, by joint action of the committees of Congress having jurisdiction over appropriation."

Mr. HARVEY. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. HARVEY to the amendment: Page 5, line 3, strike out the period and insert: "And provided further, That nothing in this act shall be construed to limit the authority of the Committee of Congress to request and receive such information in such form as they may desire in consideration of and action upon budget estimates."

Mr. KARSTEN. Mr. Chairman, I would like to make a brief explanation of the amendments I submitted. I would like to also add that we see no objection to the amendment offered by the gentleman from Indiana [Mr. HARVEY] and will be glad to accept it.

Mr. Chairman, the Clerk, in reading the amendment, used the word "committee," singular. The word is "committees," plural. I suggest that the amendment be corrected accordingly.

The four amendments I am offering were suggested by members of the Committee on Appropriations. The amendments in no way impair the objectives of the bill. I have discussed these minor changes with the Comptroller General, the Secretary of the Treasury, and the

Director of the Bureau of the Budget. They have no objection to the amendments.

Under the first three amendments the President will have authority to submit either a performance budget or an item budget. At the present time we are using what is known as the performance or functional budget. The proposed amendments will continue existing authority and under these minor changes the President may submit either a functional or item type budget.

The last amendment relates to the green sheets provision. It simply provides that this statistical information shall be furnished to the Congress along with the budget in justification of budget requests.

Mr. Chairman, I hope the amendments will all be adopted.

Mr. HARVEY. Mr. Chairman, I have been informed that the amendment as offered will require a slight revision. I ask unanimous consent to withdraw it and reoffer it in the proper form.

The CHAIRMAN. Is there objection? There was no objection.

The Clerk read as follows:

Amendment offered by Mr. HARVEY: At the end of the amendment offered by Mr. KARSTEN, add the following amendment. Strike out the period and insert: "And provided further, That nothing in this act shall be construed to limit the authority of the committees of Congress to request and receive such information in such form as they may desire in consideration of and action upon budget estimates."

Mr. KARSTEN. Mr. Chairman, if the gentleman will yield, the committees of Congress now have this authority. I think it is desirable, however, to restate it in the bill as the gentleman from Indiana has requested. I think we on this side can agree to the amendment.

Mr. HARVEY. May I say by way of explanation that we have taken language that has previously been written into appropriation bills and put it into substantive legislation. This was done at the request of the gentleman from South Dakota [Mr. CASE], of the Appropriations Committee. I do not know that it is absolutely necessary, but it may well be an added precaution that will protect the rights of the Appropriations Committee and the Congress.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. HARVEY] to the amendment offered by the gentleman from Missouri [Mr. KARSTEN].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri, as amended.

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ENGLE of California, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9038) to authorize the President to determine the form of the national budget and of de-

partmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes, pursuant to House Resolution 729, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. KARSTEN. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

~~COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS~~

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent that the Committee on Expenditures in the Executive Departments have until midnight tonight to file a report on the bill H. R. 9129.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

~~AUTHORIZING ANNUAL AND SICK LEAVE WITH PAY FOR COMMISSIONED OFFICERS OF PUBLIC HEALTH SERVICE~~

Mr. PRIEST submitted the following conference report and statement on the bill (S. 2160) to amend the Public Health Service Act to authorize annual and sick leave with pay for commissioned officers of the Public Health Service, to authorize the payment of accumulated and accrued annual leave in excess of 60 days, and for other purposes:

~~CONFERENCE REPORT (H. REPT. No. 2744)~~

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2160) to amend the Public Health Service Act to authorize annual and sick leave with pay for commissioned officers of the Public Health Service, to authorize the payment of accumulated and accrued annual leave in excess of sixty days, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 1 and 2 and agree to the same.

Amendment numbered 3: That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"Sec. 3. (a) Sections 1 and 2 of this act shall be effective on July 1, 1950.

"(b) Any officer who, on June 30, 1949, was credited with more than sixty days of ac-

cumulated and accrued leave, shall be compensated for so much of such leave as exceeds sixty days but does not exceed one hundred and twenty days, in a lump-sum payment on the basis of the base and longevity pay, the allowance for subsistence, and the allowance for rental of quarters (whether or not he was receiving such allowance on such date), which were applicable to him on such date under provisions of law then in effect: *Provided*, That there shall be deducted from the number of days upon which such lump-sum payment is otherwise authorized to be computed the number of days of leave in excess of thirty days taken during the period from July 1, 1949, to June 30, 1950. Payments authorized pursuant to this subsection shall be due and payable on July 1, 1950. All amounts received pursuant to this subsection shall be exempt from taxation.

"(c) The provisions of this act shall not be applicable to an officer who has, prior to July 1, 1950, been placed on terminal leave preceding separation, retirement, or release from active duty."

And the House agree to the same.

J. PERCY PRIEST,
ANDREW J. BIEMILLER,
GEO. HOWARD WILSON,
CHAS. A. WOLVERTON,
HUGH D. SCOTT, Jr.,

Managers on the Part of the House.

JAMES E. MURRAY,
CLAUDE PEPPER,
M. M. NEELY,
ROBERT A. TAFT

Per H. A. S.,

H. ALEXANDER SMITH,

Managers on the Part of the Senate.

~~STATEMENT~~

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2160) to amend the Public Health Service Act to authorize annual and sick leave with pay for commissioned officers of the Public Health Service, to authorize the payment of accumulated and accrued annual leave in excess of 60 days, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendments Nos. 1 and 2: These amendments made necessary technical and clarifying changes. The Senate recedes.

Amendment No. 3: This amendment made technical and clarifying amendments and, in addition, eliminated the sentence in the Senate bill which provided that the lump-sum payments to be made under section 3 of the bill should be exempt from taxation. The Senate recedes with an amendment which is the same as the House amendment except that it also contains the Senate provision providing for exemption from taxation. The inclusion of this provision from the Senate bill will afford to commissioned personnel of the Public Health Service the same treatment which was provided for personnel of the armed services by the Armed Forces Leave Act of 1946.

J. PERCY PRIEST,
ANDREW J. BIEMILLER,
GEO. HOWARD WILSON,
CHAS. A. WOLVERTON,
HUGH D. SCOTT, Jr.,

Managers on the Part of the House.

~~PERMISSION TO ADDRESS THE HOUSE~~

Mr. FURCOLO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

~~GOVERNMENT PUBLICATIONS~~

Mr. FURCOLO. Mr. Speaker, the other day in addressing the House I tried to point out the necessity for paying some attention to economy in those endeavors which have nothing to do with defense. In line with that thought I pointed out the need to try to limit the printing being done by a great many governmental agencies and departments. I prepared a resolution authorizing a committee to be set up to determine what publications the agencies and departments of Government were printing which had no relation whatever to defense matters.

I have since learned that the Joint Committee on Printing would have jurisdiction of such an investigation and I want to urge them to have hearings as quickly as possible to determine what publications, if any, can be eliminated during this emergency in trying to economize wherever it is possible to do so. This is merely one small attempt to economize, but I think it should be done right away.

~~SPECIAL ORDER~~

The SPEAKER. Under previous order of the House, the gentleman from Georgia [Mr. LANHAM], is recognized for 20 minutes.

(Mr. LANHAM asked and was given permission to revise and extend his remarks.)

~~OUR NATIONAL DEFENSE~~

Mr. LANHAM. Mr. Speaker, not once before have I asked for time to speak to the House under a special order. Last night as I lay upon my bed, not able to sleep, I determined to speak my convictions, although my speaking was only the voice of one crying in the wilderness and with no language but a cry.

Sleep would not come because of the weight of responsibility that rests upon me, and upon every other Member of Congress in this hour of crisis and danger. Of course, this same responsibility rests upon every citizen of the United States, but not to so great a degree as upon us, their representatives. Each one of us was chosen because the people back home at least believed us to be men of integrity, of character, of some ability, and with other qualities that fitted us for leadership. If we fail to exercise effective leadership during these trying and terrifying days, our constituents should and will retire us in favor of others who will furnish adequate leadership.

While I think that the Congress is not primarily to blame for the tragic lack of preparedness on the part of our armed services, nevertheless, we will be responsible if we allow it to continue. We were misled by some pompous and self-important officials of our defense establishment, to believe that our defense establishment was adequate for our protection against attack. Moreover, some of the funds appropriated by Congress were held up by the President, no doubt on the advice of the boastful man who heads our defense establishment. I cannot blame the President too much, since he had to depend for the facts and advice upon which he based his actions upon

Calendar No. 2174

81ST CONGRESS
2^D SESSION

H. R. 9038

IN THE SENATE OF THE UNITED STATES

JULY 27 (legislative day, JULY 20), 1950

Read twice and ordered to be placed on the calendar

AN ACT

To authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Budget and Accounting
4 Procedures Act of 1950".

5 TITLE I—BUDGETING AND ACCOUNTING

6 PART I—BUDGETING

7 SEC. 101. Section 2 of the Budget and Accounting Act,
8 1921 (42 Stat. 20), is amended by adding at the end thereof
9 the following:

1 “The term ‘appropriations’ includes, in appropriate con-
2 text, funds and authorizations to create obligations by con-
3 tract in advance of appropriations.”

4 SEC. 102. (a) Section 201 of such Act is amended
5 to read as follows:

6 “SEC. 201. The President shall transmit to Congress
7 during the first fifteen days of each regular session, the
8 Budget, which shall set forth his Budget message, summary
9 data and text, and supporting detail. The Budget shall
10 set forth in such form and detail as the President may
11 determine—

12 “(a) functions and activities of the Government;

13 “(b) any other desirable classifications of data;

14 “(c) a reconciliation of the summary data on ex-
15 penditures with proposed appropriations;

16 “(d) estimated expenditures and proposed appro-
17 priations necessary in his judgment for the support of
18 the Government for the ensuing fiscal year, except that
19 estimated expenditures and proposed appropriations for
20 such year for the legislative branch of the Government
21 and the Supreme Court of the United States shall be
22 transmitted to the President on or before October 15 of
23 each year, and shall be included by him in the Budget
24 without revision;

25 “(e) estimated receipts of the Government during

1 the ensuing fiscal year, under (1) laws existing at the
2 time the Budget is transmitted and also (2) under the
3 revenue proposals, if any, contained in the Budget;

4 “(f) actual appropriations, expenditures, and re-
5 cepts of the Government during the last completed fiscal
6 year;

7 “(g) estimated expenditures and receipts, and
8 actual or proposed appropriations of the Government
9 during the fiscal year in progress;

10 “(h) balanced statements of (1) the condition of
11 the Treasury at the end of the last completed fiscal
12 year, (2) the estimated condition of the Treasury at the
13 end of the fiscal year in progress, and (3) the estimated
14 condition of the Treasury at the end of the ensuing fiscal
15 year if the financial proposals contained in the Budget
16 are adopted;

17 “(i) all essential facts regarding the bonded and
18 other indebtedness of the Government; and

19 “(j) such other financial statements and data as
20 in his opinion are necessary or desirable in order to
21 make known in all practicable detail the financial con-
22 dition of the Government.”

23 (b) Section 203 of such Act is amended to read as
24 follows:

25 “SEC. 203. (a) The President from time to time may

1 transmit to Congress such proposed supplemental or defi-
2 ciency appropriations as in his judgment (1) are necessary
3 on account of laws enacted after the transmission of the
4 Budget, or (2) are otherwise in the public interest. He
5 shall accompany such proposals with a statement of the
6 reasons therefor, including the reasons for their omission
7 from the Budget.

8 “(b) Whenever such proposed supplemental or de-
9 ficiency appropriations reach an aggregate which, if they
10 had been contained in the Budget, would have required the
11 President to make a recommendation under subsection (a)
12 of section 202, he shall thereupon make such recommenda-
13 tion.”

14 (c) Section 204 of such Act is amended to read as
15 follows:

16 “SEC. 204. (a) Except as otherwise provided in this
17 Act, the contents, order, and arrangement of the proposed
18 appropriations and the statements of expenditures and esti-
19 mated expenditures contained in the Budget or transmitted
20 under section 203, and the notes and other data submitted
21 therewith, shall conform to requirements prescribed by the
22 President.

23 “(b) The budget and statements furnished with any
24 proposed supplemental or deficiency appropriations shall
25 be accompanied by information as to personal services and

1 other objects of expenditure in the same manner and form
2 as in the budget for the fiscal year 1950: *Provided*, That this
3 requirement may be waived or modified, either generally
4 or in specific cases, by joint action of the committees of
5 Congress having jurisdiction over appropriation: *And pro-*
6 *vided further*, That nothing in this Act shall be construed
7 to limit the authority of committees of Congress to request
8 and receive such information in such form as they may
9 desire in consideration of and action upon Budget estimates.”

10 (d) Section 205 of such Act is amended to read as
11 follows:

12 “SEC. 205. Whenever any basic change is made in the
13 form of the Budget, the President, in addition to the Budget,
14 shall transmit to Congress such explanatory notes and tables
15 as may be necessary to show where the various items
16 embraced in the Budget of the prior year are contained in
17 the new Budget.”

18 (e) The last sentence of section 207 of such Act is
19 amended to read as follows: “The Bureau, under such rules
20 and regulations as the President may prescribe, shall prepare
21 the Budget, and any proposed supplemental or deficiency
22 appropriations, and to this end shall have authority to
23 assemble, correlate, revise, reduce, or increase the requests
24 for appropriations of the several departments or establish-
25 ments.”

1 (f) Section 214 of such Act is amended to read as
2 follows:

3 “SEC. 214. The head of each department and establish-
4 ment shall prepare or cause to be prepared in each year
5 his requests for regular, supplemental, or deficiency
6 appropriations.”

7 (g) Section 215 of such Act is amended to read as
8 follows:

9 “SEC. 215. The head of each department and establish-
10 ment shall submit his requests for appropriations to the
11 Bureau on or before a date which the President shall deter-
12 mine. In case of his failure to do so, the President shall
13 cause such requests to be prepared as are necessary to enable
14 him to include such requests with the Budget in respect to
15 the work of such department or establishment.”

16 (h) Section 216 of such Act is amended to read as
17 follows:

18 “SEC. 216. Requests for regular, supplemental, or defi-
19 ciency appropriations which are submitted to the Bureau by
20 the head of any department or establishment shall be pre-
21 pared and submitted as the President may determine in
22 accordance with the provisions of section 201.”

1 GOVERNMENT STATISTICAL ACTIVITIES

2 SEC. 103. The President, through the Director of the
3 Bureau of the Budget, is authorized and directed to develop
4 programs and to issue regulations and orders for the im-
5 proved gathering, compiling, analyzing, publishing, and dis-
6 seminating of statistical information for any purpose by the
7 various agencies in the executive branch of the Government.
8 Such regulations and orders shall be adhered to by such
9 agencies.

10 IMPROVED ADMINISTRATION OF EXECUTIVE AGENCIES

11 SEC. 104. The President, through the Director of the
12 Bureau of the Budget, is authorized and directed to evaluate
13 and develop improved plans for the organization, coordina-
14 tion, and management of the executive branch of the Govern-
15 ment with a view to efficient and economical service.

16 BUSINESS-TYPE BUDGETS

17 SEC. 105. The first two sentences of section 102 of
18 the Government Corporation Control Act of 1945 (59 Stat.
19 597), are amended to read as follows: "Each wholly owned
20 Government corporation shall cause to be prepared annually
21 a business-type budget which shall be submitted to the
22 Bureau of the Budget, under such rules and regulations as

1 the President may establish as to the date of submission,
2 the form and content, the classifications of data, and the
3 manner in which such budget program shall be prepared
4 and presented.”

5 PART II—ACCOUNTING AND AUDITING

6 SHORT TITLE

7 SEC. 110. This part may be cited as the “Accounting
8 and Auditing Act of 1950”.

9 DECLARATION OF POLICY

10 SEC. 111. It is the policy of the Congress in enacting
11 this part that—

12 (a) The accounting of the Government provide full
13 disclosure of the results of financial operations, adequate
14 financial information needed in the management of opera-
15 tions and the formulation and execution of the Budget,
16 and effective control over income, expenditures, funds,
17 property, and other assets.

18 (b) Full consideration be given to the needs and
19 responsibilities of both the legislative and executive
20 branches in the establishment of accounting and report-
21 ing systems and requirements.

22 (c) The maintenance of accounting systems and
23 the producing of financial reports with respect to the
24 operations of executive agencies, including central facil-
25 ities for bringing together and disclosing information on

1 the results of the financial operations of the Government
2 as a whole, be the responsibility of the executive branch.

3 (d) The auditing for the Government, conducted
4 by the Comptroller General of the United States as an
5 agent of the Congress be directed at determining the
6 extent to which accounting and related financial report-
7 ing fulfill the purposes specified, financial transactions
8 have been consummated in accordance with laws, regu-
9 lations or other legal requirements, and adequate internal
10 financial control over operations is exercised, and afford
11 an effective basis for the settlement of accounts of
12 accountable officers.

13 (e) Emphasis be placed on effecting orderly im-
14 provements resulting in simplified and more effective
15 accounting, financial reporting, budgeting, and auditing
16 requirements and procedures and on the elimination of
17 those which involve duplication or which do not serve a
18 purpose commensurate with the costs involved.

19 (f) The Comptroller General of the United States,
20 the Secretary of the Treasury, and the Director of the
21 Bureau of the Budget conduct a continuous program for
22 the improvement of accounting and financial reporting
23 in the Government.

1 ACCOUNTING AND REPORTING PROVISIONS

2 SEC. 112. (a) The Comptroller General of the United
3 States, after consulting the Secretary of the Treasury and the
4 Director of the Bureau of the Budget concerning their ac-
5 counting, financial reporting, and budgetary needs, and con-
6 sidering the needs of the other executive agencies, shall pre-
7 scribe the principles, standards, and related requirements for
8 accounting to be observed by each executive agency, includ-
9 ing requirements for suitable integration between the account-
10 ing processes of each executive agency and the accounting
11 of the Treasury Department. Requirements prescribed by
12 the Comptroller General shall be designed to permit the
13 executive agencies to carry out their responsibilities under
14 section 113 of this part, while providing a basis for integrated
15 accounting for the Government, full disclosure of the results
16 of the financial operations of each executive agency and the
17 Government as a whole, and financial information and control
18 necessary to enable the Congress and the President to dis-
19 charge their respective responsibilities. The Comptroller
20 General shall continue to exercise the authority vested in
21 him by section 205 (b) of the Federal Property and Ad-
22 ministrative Services Act of 1949 (63 Stat. 389) and, to the
23 extent he deems necessary, the authority vested in him by
24 section 309 of the Budget and Accounting Act, 1921 (42

1 Stat. 25). Any such exercise of authority shall be consistent
2 with the provisions of this section.

3 (b) The General Accounting Office shall cooperate
4 with the executive agencies in the development of their
5 accounting systems, including the Treasury Department, in
6 the development and establishment of the system of central
7 accounting and reporting required by section 114 of this
8 part. Such accounting systems shall be approved by the
9 Comptroller General when deemed by him to be adequate
10 and in conformity with the principles, standards, and related
11 requirements prescribed by him.

12 (c) The General Accounting Office shall from time to
13 time review the accounting systems of the executive
14 agencies. The results of such reviews shall be available to
15 the heads of the executive agencies concerned, to the Secre-
16 tary of the Treasury, and to the Director of the Bureau of
17 the Budget, and the Comptroller General shall make such
18 reports thereon to the Congress as he deems proper.

19 SEC. 113. (a) The head of each executive agency
20 shall establish and maintain systems of accounting and in-
21 ternal control designed to provide—

22 (1) full disclosure of the financial results of the
23 agency's activities;

1 (2) adequate financial information needed for the
2 agency's management purposes;

3 (3) effective control over and accountability for
4 all funds, property, and other assets for which the
5 agency is responsible, including appropriate internal
6 audit;

7 (4) reliable accounting results to serve as the basis
8 for preparation and support of the agency's budget re-
9 quests, for controlling the execution of its budget, and
10 for providing financial information required by the
11 Bureau of the Budget under section 213 of the Budget
12 and Accounting Act, 1921 (42 Stat. 23) ;

13 (5) suitable integration of the accounting of the
14 agency with the accounting of the Treasury Depart-
15 ment in connection with the central accounting and
16 reporting responsibilities imposed on the Secretary of
17 the Treasury by section 114 of this part.

18 (b) The accounting systems of executive agencies shall
19 conform to the principles, standards, and related require-
20 ments prescribed by the Comptroller General pursuant to
21 section 112 (a) of this part.

22 SEC. 114. (a) The Secretary of the Treasury shall pre-
23 pare such reports for the information of the President, the
24 Congress, and the public as will present the results of the
25 financial operations of the Government: *Provided*, That there

1 shall be included such financial data as the Director of the
2 Bureau of the Budget may require in connection with the
3 preparation of the Budget or for other purposes of the
4 Bureau. Each executive agency shall furnish the Secretary
5 of the Treasury such reports and information relating to its
6 financial condition and operations as the Secretary, by rules
7 and regulations, may require for the effective performance
8 of his responsibilities under this section.

9 (b) The Secretary of the Treasury is authorized to
10 establish the facilities necessary to produce the financial re-
11 ports required by subsection (a) of this section. The
12 Secretary is further authorized to reorganize the accounting
13 functions and install, revise, or eliminate accounting pro-
14 cedures and financial reports of the Treasury Department in
15 order to develop effective and coordinated systems of ac-
16 counting and financial reporting in the several bureaus and
17 offices of the Department with such concentration of ac-
18 counting and reporting as is necessary to accomplish inte-
19 gration of accounting results for the activities of the Depart-
20 ment and provide the operating center for the consolidation
21 of accounting results of other executive agencies with those
22 of the Department. The authority vested in and the duties
23 imposed upon the Department by sections 10, 15, and 22 of
24 the Act entitled "An Act making appropriations for the
25 legislative, executive, and judicial branches of the Govern-

1 ment for the fiscal year ending June thirtieth, eighteen hun-
2 dred ninety-five, and for other purposes'', approved July 31,
3 1894 (28 Stat. 162, 208-210), may be exercised and
4 performed by the Secretary of the Treasury as a part of his
5 broader authority and duties under this section and in such
6 a manner as to provide a unified system of central ac-
7 counting and reporting on the most efficient and useful basis.

8 (c) The system of central accounting and reporting
9 provided for herein shall be consistent with the principles,
10 standards, and related requirements prescribed by the Comp-
11 troller General pursuant to section 112 of this part.

12 SEC. 115. (a) When the Secretary of the Treasury
13 and the Comptroller General determine that existing pro-
14 cedures can be modified in the interest of simplification, im-
15 provement, or economy, with sufficient safeguards over the
16 control and accounting for the public funds, they may issue
17 joint regulations providing for the waiving, in whole or in
18 part, of the requirements of existing law that—

19 (1) warrants be issued and countersigned in con-
20 nection with the receipt, retention, and disbursement of
21 public moneys and trust funds; and

22 (2) funds be requisitioned, and advanced to ac-
23 countable officers under each separate appropriation
24 head or otherwise.

25 (b) Such regulations may further provide for the pay-

1 ment of vouchers by authorized disbursing officers by means
2 of checks issued against the general account of the Treasurer
3 of the United States: *Provided*, That in such case the regu-
4 lations shall provide for appropriate action in the event of
5 delinquency by disbursing officers in the rendition of their
6 accounts or for other reasons arising out of the condition of
7 the officers' accounts, including under necessary circum-
8 stances, the suspension or withdrawal of authority to
9 disburse.

10 SEC. 116. The Comptroller General is authorized to
11 discontinue the maintenance in the General Accounting Office
2 of appropriation, expenditure, limitation, receipt, and per-
3 sonal ledger accounts when in his opinion the accounting
14 systems and internal control of the executive, legislative,
15 and judicial agencies are sufficient to enable him to perform
16 properly the functions to which such accounts relate.

17 AUDITING PROVISIONS

18 SEC. 117. (a) Except as otherwise specifically pro-
19 vided by law, the financial transactions of each executive,
20 legislative, and judicial agency, including but not limited to
21 the accounts of accountable officers, shall be audited by the
22 General Accounting Office in accordance with such prin-
23 ciples and procedures and under such rules and regulations as
24 may be prescribed by the Comptroller General of the United
25 States. In the determination of auditing procedures to be

1 followed and the extent of examination of vouchers and other
2 documents, the Comptroller General shall give due regard
3 to generally accepted principles of auditing, including con-
4 sideration of the effectiveness of accounting organizations
5 and systems, internal audit and control, and related adminis-
6 trative practices of the respective agencies.

7 (b) Whenever the Comptroller General determines that
8 the audit shall be conducted at the place or places where the
9 accounts and other records of an executive agency are nor-
10 mally kept, he may require any executive agency to retain
11 in whole or in part accounts of accountable officers, contracts,
12 vouchers, and other documents, which are required under
13 existing law to be submitted to the General Accounting
14 Office, under such conditions and for such period not exceed-
15 ing ten years as he may specify, unless a longer period is
16 agreed upon with the executive agency: *Provided*, That
17 under agreements between the Comptroller General and
18 legislative and judicial agencies the provisions of this sentence
19 may be extended to the accounts and records of such agencies.

20 GENERAL PROVISIONS

21 SEC. 118. As used in this part, the term "executive
22 agency" means any executive department or independent
23 establishment in the executive branch of the Government
24 but (a) except for the purposes of sections 114, 116, and
25 119 shall not include any Government corporation or agency

1 subject to the Government Corporation Control Act (59
2 Stat. 597), and (b) except for the purposes of sections
3 111, 114, and 116 shall not include the Post Office
4 Department.

5 SEC. 119. The head of each executive agency is au-
6 thorized to designate the place or places, at the seat of
7 government or elsewhere, at which the administrative exam-
8 ination of fiscal officers' accounts will be performed, and
9 with the concurrence of the Comptroller General to waive
10 the administrative examination in whole or in part: *Pro-*
11 *vided*, That the same authority is hereby conferred upon
12 the officers responsible for the administrative examination
13 of accounts for legislative and judicial agencies.

14 TITLE II—APPROPRIATIONS

15 AUTHORIZATIONS FOR APPROPRIATIONS

16 SEC. 201. No requests for legislation, which, if en-
17 acted, would authorize subsequent appropriations for a de-
18 partment or establishment in the executive branch of the
19 Government, shall be transmitted to the Bureau of the
20 Budget, to the President, or to the Congress by such depart-
21 ment or establishment, or by any organizational unit thereof,
22 without the prior approval of the head of such department or
23 establishment.

1 ADJUSTMENT OF APPROPRIATIONS FOR REORGANIZATION

2 SEC. 202. (a) When under authority of law a
3 function or an activity is transferred or assigned from one
4 agency within any department or establishment to another
5 agency in the same department or establishment, the balance
6 of appropriations which are determined by the head of such
7 department or establishment to be available and necessary
8 to finance or discharge the function or activity so trans-
9 ferred or assigned may, with the approval of the President,
10 be transferred to, and be available for use by, the agency
11 to which said function or activity is transferred or assigned
12 for any purpose for which said funds were originally avail-
13 able. Balances so transferred shall be credited to any ap-
14 plicable existing appropriation account or accounts, or to
15 any new appropriation account or accounts, which are hereby
16 authorized to be established, and shall be merged with
17 funds in the applicable existing or newly established appro-
18 priation account or accounts and thereafter accounted for as
19 one fund.

20 (b) When under authority of law a function or activity
21 is transferred or assigned from one department or establish-
22 ment to another department or establishment, the balance of
23 appropriations which are determined by the President to be
24 available and necessary to finance or discharge the function
25 or activity so transferred or assigned, shall be transferred to

1 and be available for use by the department or establishment
 2 to which said function or activity is transferred or assigned
 3 for any purpose for which said funds were originally avail-
 4 able. Balances so transferred shall be credited to any
 5 applicable existing appropriation account or accounts, or
 6 to any new appropriation account or accounts, which are
 7 hereby authorized to be established, and shall be merged
 8 with funds in the applicable existing or newly established
 9 appropriation account or accounts and thereafter accounted
 10 for as one fund.

11 TITLE III—REPEALS AND SAVING PROVISIONS

12 REPEALS

13 SEC. 301. The following Acts and parts of Acts are
 14 hereby repealed:

15 (1) Section 10 of the Act of August 1, 1914 (38
 16 Stat. 680; U. S. C., title 31, sec. 582).

17 (2) So much of section 4 of the Act of June 20, 1874
 18 (18 Stat. 109; U. S. C., title 31, sec. 583 (1)), as reads:
 19 “; and hereafter the Secretary of the Treasury shall annually
 20 submit to Congress detailed estimates of appropriations re-
 21 quired for said expenses;”.

22 (3) The last proviso in the first paragraph under the
 23 heading “Judgments; United States Courts” of the Act of
 24 April 27, 1904 (33 Stat. 422; U. S. C., title 31, sec.
 25 583 (2)).

1 (4) The last sentence of section 5 of the Act of August
2 5, 1882 (22 Stat. 256; U. S. C., title 31, sec. 583 (3)).

3 (5) So much of the matter appearing under the heading
4 “Mints and Assay Offices” of the Act of March 4, 1911 (36
5 Stat. 1292; U. S. C., title 31, sec. 583 (4)), as reads:
6 “, and the Secretary of the Treasury shall, for the fiscal year
7 nineteen hundred and thirteen, and annually thereafter, sub-
8 mit to Congress, in the regular book of estimates, detailed
9 estimates for the expenses of this Service”.

10 (6) So much of the matter appearing under the heading
11 “Treasury Department” in the Act of August 26, 1912 (37
12 Stat. 596; U. S. C., title 31, sec. 583 (5)), as reads:
13 “*Provided further*, That estimates hereunder shall be sub-
14 mitted in detail for the fiscal year 1914, and annually
15 thereafter”.

16 (7) The last sentence of the paragraph under the head-
17 ing “Federal Farm Loan Board” of the Act of September
18 8, 1916 (U. S. C., title 31, sec. 583 (7)), appearing on
19 page 803 of volume 39 of the Statutes at Large; and the
20 third and last paragraph under the heading “Federal Farm
21 Loan Bureau” of the Act of March 3, 1917 (U. S. C., title
22 31, sec. 583 (7)), appearing on page 1084 of volume 39
23 of the Statutes at Large.

24 (8) The last sentence on page 48 of volume 30 of the

1 Statutes at Large, in the Act of June 4, 1897 (U. S. C.,
2 title 31, sec. 583 (8)).

3 (9) The first sentence of section 6 of the Act of March
4 3, 1919 (40 Stat. 1309; U. S. C., title 31, sec. 583 (10)).

5 (10) The last proviso under the heading "Office of the
6 Chief Signal Officer" of the Act of March 2, 1907 (34 Stat.
7 1159; U. S. C., title 31, sec. 583 (11)).

8 (11) The sixth full paragraph appearing on page 648
9 of volume 29 of the Statutes at Large in the Act of March 3,
10 1897 (U. S. C., title 31, sec. 583 (13)).

11 (12) So much of the matter following the heading
12 "Bureau of Mines" in the Act of March 3, 1915 (38 Stat.
13 858; U. S. C., title 31, sec. 583 (14)) as reads: "estimates
14 shall be submitted specifically for all personal services re-
15 quired permanently and entirely in the Bureau of Mines at
16 Washington, District of Columbia, and previously paid from
17 lump-sum or general appropriations;"

18 (13) The proviso at the end of the fourth paragraph
19 on page 312 of volume 37 of the Statutes at Large, in the
20 Act of August 17, 1912 (U. S. C., title 31, sec. 583 (15)).

21 (14) The third paragraph appearing on page 1082 of
22 volume 32 of the Statutes at Large, in the Act of March 3,
23 1903 (U. S. C., title 31, sec. 583 (16)).

24 (15) So much of section 12 of the Act of June 26,

1 1906 (34 Stat. 480; U. S. C., title 31, sec. 583 (18)),
 2 as reads: "and he shall annually submit to Congress esti-
 3 mates to cover the cost of the establishment and maintenance
 4 of fish hatcheries in Alaska, the salaries and actual traveling
 5 expenses of such officials, and for such other expenditures as
 6 may be necessary to carry out the provisions of this Act".

7 (16) The proviso at the end of the first full paragraph
 8 on page 456 of volume 32 of the Statutes at Large, in the
 9 Act of June 28, 1902 (U. S. C., title 31, sec. 583 (20)).

10 (17) The second full paragraph on page 841 of volume
 11 38 of the Statutes at Large, in the Act of March 3, 1915
 12 (U. S. C., title 31, sec. 583 (21)).

13 (18) The fourth full paragraph on page 2 of volume 38
 14 of the Statutes at Large, in the Act of May 1, 1913
 15 (U. S. C., title 31, sec. 583 (22)).

16 (19) The proviso at the end of the second paragraph
 17 under the heading "Bureau of Immigration and Naturaliza-
 18 tion" of the Act of March 4, 1907 (34 Stat. 1329, 1330;
 19 U. S. C., title 31, sec. 583 (23)).

20 (20) The second full paragraph on page 374 of volume
 21 35 of the Statutes at Large, in the Act of May 27, 1908
 22 (U. S. C., title 31, sec. 583 (25)).

23 (21) So much of the last paragraph on page 396 of
 24 volume 37 of the Statutes at Large, in the Act of August
 25 23, 1912 (U. S. C., title 31, sec. 583 (26)), as reads:

1 “For the fiscal year nineteen hundred and fourteen and
2 annually thereafter estimates in detail shall be submitted for
3 all personal services required in the Indian Office,”.

4 (22) The proviso at the end of the first full paragraph
5 on page 646 of volume 41 of the Statutes at Large, in the
6 Act of May 29, 1920 (U. S. C., title 31, sec. 584).

7 (23) Section 3660 of the Revised Statutes (U. S. C.,
8 title 31, sec. 585).

9 (24) Section 4 of the Act of June 22, 1906 (34 Stat.
10 448; U. S. C., title 31, sec. 586).

11 (25) Section 4 of the Act of March 4, 1909 (35 Stat.
12 907; U. S. C., title 31, sec. 587).

13 (26) Section 2 of the Act of June 30, 1906 (34 Stat.
14 762; U. S. C., title 31, sec. 588); and the proviso in the
15 first paragraph on page 1367 of volume 34 of the Statutes
16 at Large, in the Act of March 4, 1907 (U. S. C., title 31,
17 sec. 588).

18 (27) Section 3661, as amended, of the Revised Statutes
19 (U. S. C., title 31, sec. 589).

20 (28) So much of the first paragraph on page 255 of
21 volume 24 of the Statutes at Large, in the Act of August
22 4, 1886 (U. S. C., title 31, sec. 590), as reads: “: *Pro-*
23 *vided further*, That all printing and engraving for the Geo-
24 logical Survey, the Coast and Geodetic Survey, the Hydro-
25 graphic Office of the Navy Department, and the Signal

1 Service shall hereafter be estimated for separately and in
2 detail, and appropriated for separately for each of said
3 bureaus”.

4 (29) Section 3662 of the Revised Statutes (U. S. C.,
5 title 31, sec. 591).

6 (30) Section 3663 of the Revised Statutes, as amended
7 (U. S. C., title 31, sec. 594).

8 (31) Section 3664 of the Revised Statutes (U. S. C.,
9 title 31, sec. 597).

10 (32) Section 3665 of the Revised Statutes (U. S. C.,
11 title 31, sec. 598).

12 (33) The second paragraph under the heading “Rev-
13 enue-Cutter Service” in the Act of March 2, 1889 (25
14 Stat. 907; U. S. C., title 31, sec. 600).

15 (34) So much of the second full paragraph on page
16 512 of volume 24 of the Statutes at Large, in the Act of
17 March 3, 1887 (U. S. C., title 31, sec. 601), as reads:
18 “That the Secretary of the Treasury shall for the fiscal year
19 eighteen hundred and eighty-seven, and for each fiscal year
20 thereafter in the annual estimates, report to Congress the
21 number of persons employed outside of the District of Co-
22 lumbia, as superintendents, clerks, watchmen and otherwise,
23 and paid from appropriations for the construction of public
24 buildings showing where said persons are employed, in what

1 capacity, the length of time and at what rate of compensa-
2 tion,”.

3 (35) So much of the sixth full paragraph on page 374
4 of volume 26 of the Statutes at Large, in the Act of August
5 30, 1890 (U. S. C., title 31, sec. 601) as reads: “; and
6 hereafter the Secretary of the Treasury shall annually re-
7 port to Congress in the book of estimates a statement of
8 the expenditure of the appropriation for ‘repairs and preser-
9 vation of public buildings’ which shall show the amount
10 expended on each public building and the number of per-
11 sons employed and paid salaries from such appropriation”.

12 (36) So much of section 1317 of the Revenue Act of
13 1921 (42 Stat. 314; U. S. C., title 31, sec. 602) as reads:
14 “; and the Secretary of the Treasury shall submit for the
15 fiscal year 1921, and annually thereafter, an estimate of
16 appropriations to refund and pay back duties or taxes
17 erroneously or illegally assessed or collected under the In-
18 ternal Revenue laws, and to pay judgments, including in-
19 terest and costs, rendered for taxes or penalties erroneously
20 or illegally assessed or collected under the internal revenue
21 laws”.

22 (37) The first paragraph on page 133 of volume
23 22 of the Statutes at Large, in the Act of July 1, 1882
24 (U. S. C., title 31, sec. 603).

1 (38) The eighth paragraph under the heading "For-
2 eign Intercourse" of the Act of May 3, 1905 (33 Stat.
3 1214; U. S. C., title 31, sec. 603).

4 (39) The last paragraph on page 48 of volume 30
5 of the Statutes at Large, in the Act of June 4, 1897
6 (U. S. C., title 31, sec. 604).

7 (40) The eighth paragraph under the heading "Under
8 the Engineer Department" of the Act of February 13, 1913
9 (37 Stat. 671; U. S. C., title 31, sec. 605).

10 (41) The sixth paragraph under the heading "Fortifi-
11 cations in Insular Possessions" of the Act of March 3, 1905
12 (33 Stat. 847; U. S. C., title 31, sec. 606).

13 (42) So much of the first section of the Act of Au-
14 gust 4, 1886 (24 Stat. 246; U. S. C., title 31, sec. 607),
15 as reads: "the estimates for the Army and Navy hos-
16 pital service shall be submitted as a part of the military
17 establishment".

18 (43) The first full paragraph on page 117 of volume
19 31 of the Statutes at Large, in the Act of April 17, 1900
20 (U. S. C., title 31, sec. 609).

21 (44) Section 3668 of the Revised Statutes (U. S. C.,
22 title 31, sec. 610).

23 (45) So much of the first paragraph on page 357 of
24 volume 20 of the Statutes at Large, in the Act of March

1 3, 1879 (U. S. C., title 31, sec. 611), as reads: “: *Pro-*
2 *vided*, That hereafter, in making his estimates for railway
3 mail service the Postmaster General shall separate the esti-
4 mate for postal-car service from the general estimates; and
5 in case any increase or diminution of service by postal cars
6 shall be made by him, the reasons therefor shall be given
7 in his annual report next succeeding such increase or
8 diminution”.

9 (46) So much of the first paragraph under the heading
10 “United States Geological Survey” in the Act of March 3,
11 1887 (24 Stat. 527; U. S. C., title 31, sec. 612), as reads:
12 “; and hereafter the estimates for the Geological Survey
13 shall be itemized”.

14 (47) The first paragraph on page 455 of volume 32
15 of the Statutes at Large, in the Act of June 28, 1902
16 (U. S. C., title 31, sec. 612).

17 (48) Section 4 of the Act of August 15, 1876 (19
18 Stat. 200; U. S. C., title 31, sec. 613).

19 (49) The fourth paragraph of section 26 of the Act
20 of June 30, 1913 (38 Stat. 103; U. S. C., title 31, sec.
21 613).

22 (50) The eighth full paragraph on page 1421 of volume
23 36 of the Statutes at Large, in the Act of March 4, 1911
24 (U. S. C., title 31, sec. 614).

1 (51) The eighth full paragraph on page 1206 of volume
2 33 of the Statutes at Large, in the Act of March 3, 1905
3 (U. S. C., title 31, sec. 615).

4 (52) The fourth full paragraph under the heading
5 "Government in the Territories" of the Act of July 16,
6 1914 (38 Stat. 479; U. S. C., title 31, sec. 616).

7 (53) The first full paragraph on page 492 of volume
8 39 of the Statutes at Large, in the Act of August 11, 1916
9 (U. S. C., title 31, sec. 617).

10 (54) The proviso in the first paragraph under the
11 heading "Rent in the District of Columbia" of the Act of
12 March 4, 1915 (38 Stat. 1108; U. S. C., title 31, sec.
13 617).

14 (55) The seventh paragraph on page 433 of volume
15 32 of the Statutes at Large, in the Act of June 28, 1902
16 (U. S. C., title 31, sec. 618).

17 (56) The ninth full paragraph on page 755 of volume
18 36 of the Statutes at Large, in the Act of June 25, 1910
19 (U. S. C., title 31, sec. 618).

20 (57) The fourth full paragraph on page 362 of volume
21 27 of the Statutes at Large, in the Act of August 5, 1892
22 (U. S. C., title 31, sec. 619).

23 (58) The first full paragraph on page 764 of volume
24 36 of the Statutes at Large, in the Act of June 25, 1910
25 (U. S. C., title 31, sec. 620).

1 (59) Section 6 of the Act of August 1, 1914 (38
2 Stat. 679; U. S. C., title 31, sec. 621).

3 (60) The last full sentence in the first paragraph on
4 page 254 of volume 23 of the Statutes at Large, in the Act
5 of July 7, 1884 (U. S. C., title 31, sec. 622).

6 (61) Section 5 of the Act of June 30, 1906 (34 Stat.
7 763; U. S. C., title 31, sec. 626).

8 (62) The proviso at the end of the first paragraph on
9 page 579 of volume 37 of the Statutes at Large, in the Act
10 of August 24, 1912 (U. S. C., title 31, sec. 626).

11 (63) Section 7, as amended, of the Act of August 26,
12 1912 (37 Stat. 626; 37 Stat. 790; U. S. C., title 31, sec.
13 629).

14 (64) The fourth full paragraph on page 854 of volume
15 37 of the Statutes at Large, in the Act of March 4, 1913
16 (U. S. C., title 31, sec. 630).

17 (65) The proviso at the end of the seventh paragraph
18 on page 1030 of volume 31 of the Statutes at Large, in the
19 Act of March 3, 1901 (U. S. C., title 31, sec. 633).

20 (66) The second paragraph under the heading "Con-
21 tingent, Bureau of Ordnance" of the Act of July 12, 1921
22 (42 Stat. 128; U. S. C., title 31, sec. 636), down through
23 the first proviso therein.

24 (67) So much of the third paragraph under the heading
25 "Contingent Expenses, Navy Department" of the Act of

1 June 22, 1906 (34 Stat. 427; U. S. C., title 31, sec. 637),
2 as reads: "and hereafter it shall not be lawful to expend, for
3 any of the offices or bureaus of the Navy Department at
4 Washington, any sum out of appropriations made for the
5 naval establishment for any of the purposes mentioned or
6 authorized in the said foregoing paragraph".

7 (68) So much of the paragraph under the heading "In-
8 crease of the Navy, Equipment" of the Act of March 3, 1915
9 (38 Stat. 952; U. S. C., title 31, sec. 648), as reads: "and
10 beginning with July first, nineteen hundred and fifteen,
11 equipment outfits shall be charged to appropriation 'Increase
12 of the Navy, Construction and Machinery'".

13 (69) The two provisos in the paragraph under the
14 heading "Fuel and Transportation" of the Act of March 3,
15 1915 (38 Stat. 944; U. S. C., title 31, sec. 649).

16 (70) The proviso in the tenth paragraph on page 236,
17 of volume 28 of the Statutes at Large, in the Act of August
18 6, 1894 (U. S. C., title 31, sec. 650).

19 (71) The fourth full paragraph on page 1175 of volume
20 34 of the Statutes at Large, in the Act of March 2, 1907
21 (U. S. C., title 31, sec. 655).

22 (72) So much of the first full paragraph on page 1391
23 of volume 42 of the Statutes at Large, in the Act of March
24 2, 1923 (U. S. C., title 31, sec. 656), as reads: "and
25 the Budget estimates for each of such appropriations shall

1 hereafter carry separately the amounts required for such
2 transportation costs”.

3 (73) The proviso in the seventh full paragraph on page
4 520 of volume 32 of the Statutes at Large, in the Act of
5 June 30, 1902 (U. S. C., title 31, sec. 657).

6 (74) The proviso in lines 2 through 8 on page 710
7 of volume 36 of the Statutes at Large, in the Act of June
8 25, 1910 (U. S. C., title 31, sec. 664).

9 (75) Section 3682 of the Revised Statutes (U. S. C.,
10 title 31, sec. 674).

11 (76) Section 3683 of the Revised Statutes (U. S. C.,
12 title 31, sec. 675).

13 (77) The second full paragraph on page 1303 of volume
14 41 of the Statutes at Large, in the Act of March 3, 1921
15 (U. S. C., title 31, sec. 676).

16 (78) The proviso in lines 7 through 17 on page 203
17 of volume 20 of the Statutes at Large, in the Act of June
18 19, 1878 (U. S. C., title 31, sec. 677).

19 (79) Section 3684 of the Revised Statutes (U. S. C.,
20 title 31, sec. 681).

21 (80) Section 6 of the Act of May 30, 1908 (U. S. C.,
22 title 31, sec. 683).

23 (81) So much of the paragraph under the heading
24 “Pay of Assistant Custodians and Janitors” on pages 1153
25 and 1154 of volume 31 of the Statutes at Large, in the Act

1 of March 3, 1901 (U. S. C., title 31, sec. 684), as reads:
2 “, and hereafter no other fund appropriated shall be used
3 for this service”.

4 (82) The second paragraph under the heading “United
5 States Commerce Court” of the Act of March 4, 1911 (36
6 Stat. 1234; U. S. C., title 31, sec. 687).

7 (83) Section 26 of the Act of June 30, 1913 (38 Stat.
8 103; (U. S. C., title 31, sec. 688).

9 (84) Section 400 of the Second Deficiency Appropria-
10 tion Act, 1947 (U. S. C., title 31, sec. 694).

11 (85) Section 607 of the Act of June 30, 1945, as
12 amended (59 Stat. 304; U. S. C., title 5, sec. 947).

13 (86) Section 3 of the Act of March 3, 1875, as
14 amended (18 Stat. 370; U. S. C., title 31, sec. 624).

15 (87) So much of the Act of March 26, 1934, as
16 amended (48 Stat. 466; U. S. C., title 5, sec. 118c), as
17 reads: “with the Budget estimates”.

18 (88) So much of the paragraph under the heading
19 “Department of State” in the Act of August 5, 1909 (36
20 Stat. 119; U. S. C., title 5, sec. 157), as reads: “and
21 estimates for further appropriations hereunder shall include
22 in detail salaries for all persons to be employed and paid
23 in the Department of State at Washington, District of
24 Columbia”.

25 (89) The last proviso under the head “Working Capi-

1 tal Fund" in the Act of July 12, 1943 (57 Stat. 393;
2 U. S. C., title 5, sec. 558a).

3 (90) So much of section 17 of the Act of May 22,
4 1920, as amended (41 Stat. 620; U. S. C., title 5, sec.
5 730), as reads: "annually to the Bureau of the Budget".

6 (91) Section 31 of the Act of September 7, 1916, as
7 amended (39 Stat. 749; U. S. C., title 5, sec. 782).

8 (92) The last sentence of section 35 of the Act of
9 September 7, 1916, as amended (39 Stat. 749; U. S. C.,
10 title 5, sec. 785).

11 (93) So much of section 1 of the Act of October 1,
12 1890 (26 Stat. 653; U. S. C., title 10, sec. 214), as
13 reads: "and the Signal Corps of the Army shall remain a
14 part of the Military Establishment under the direction of
15 the Secretary of War, and all estimates for its support shall
16 be included with other estimates for the support of the
17 Military Establishment".

18 (94) The last proviso of section 4 of the Act of March
19 12, 1926 (44 Stat. 206; U. S. C., title 10, sec. 1597).

20 (95) So much of section 1 of the Act of June 12,
21 1917, as amended (40 Stat. 153; U. S. C., title 16, sec.
22 452), as reads: "and the Secretary of the Interior is directed
23 to submit, for the fiscal year nineteen hundred and nineteen
24 and annually thereafter, estimates of the amounts required

1 for the care, maintenance, and development of the said
2 parks.”

3 (96) So much of section 1 of the Act of July 24, 1876,
4 as amended (19 Stat. 99; U. S. C., title 24, sec. 278), as
5 requires estimates for the care and maintenance of the na-
6 tional military cemeteries to be submitted annually by the
7 Director of the National Park Service.

8 (97) So much of section 1 of the Act of January 24,
9 1923 (42 Stat. 1208; U. S. C., title 31, sec. 12), as reads:
10 “The aggregate of all estimates of appropriations from the
11 ‘reclamation fund’ contained in the Budget for any fiscal
12 year shall be included in the totals of the Budget for that
13 year.”

14 (98) The second paragraph under the heading “Pay,
15 Miscellaneous” of the Act of March 3, 1909 (35 Stat. 754;
16 U. S. C., title 31, sec. 609a).

17 (99) The third paragraph under the heading “Office
18 of the Fourth Assistant Postmaster General” of the Act of
19 June 9, 1896 (29 Stat. 316; U. S. C., title 31, sec. 610a).

20 (100) The last proviso under the heading “National
21 Home for Disabled Volunteer Soldiers” of the Act of October
22 2, 1888, as amended (25 Stat. 543; U. S. C., title 31,
23 sec. 719).

24 (101) Section 119 of the Act of June 3, 1916 (39
25 Stat. 213; U. S. C., title 32, sec. 25).

1 (102) So much of the fourth full paragraph on page
 2 558 of volume 39 of the Statutes at Large in the Act of
 3 August 29, 1916 (U. S. C., title 34, sec. 504), as reads:
 4 “and the Secretary of the Navy shall each year, in the
 5 annual estimates, report to Congress the number of persons
 6 so employed, their duties, and the amount paid to each”.

7 (103) The last proviso in the third paragraph on page
 8 377 of volume 37 of the Statutes at Large in the Act of
 9 August 23, 1912 (U. S. C., title 39, sec. 769).

10 (104) Section 27 of the Act of January 12, 1895, as
 11 amended (28 Stat. 604; U. S. C., title 44, sec. 37).

12 (105) The eighth full paragraph on page 382 of
 13 volume 35 of the Statutes at Large in the Act of May 27,
 14 1908 (U. S. C., title 44, sec. 37).

15 (106) The last paragraph under the heading “Govern-
 16 ment in the Territories” in the Act of June 20, 1874 (18
 17 Stat. 99; U. S. C., title 48, sec. 1456).

18 SAVING PROVISIONS

19 SEC. 302. (a) The omission of any provision of law
 20 from the provisions of law repealed under section 301
 21 shall not be construed as limiting the application of section
 22 201 or 216 of the Budget and Accounting Act, 1921, as
 23 amended, or the powers of the President thereunder, or as
 24 evidencing an intent that such provision was not to be super-
 25 seded by such sections.

1 (b) Whenever any law authorizes expenditures for a
2 particular object or purpose to be made from an appro-
3 priation item referred to in such law by the specific title
4 theretofore used for that appropriation item in the appro-
5 priation Act concerned, and thereafter such title is changed
6 or is eliminated from such appropriation Act, expenditures
7 for such object or purpose thereafter may be made from any
8 corresponding appropriation item.

9 (c) Except where authority for performance of a func-
10 tion is specifically repealed in section 301, none of the pro-
11 visions of such section shall be construed as affecting the
12 jurisdiction or responsibility of any agency or officer of the
13 Government over any function or organizational unit referred
14 to in such section.

15 (d) Existing laws, policies, procedures, and directives
16 pertaining to functions covered by this Act, and not incon-
17 sistent herewith or repealed hereby, shall remain in full
18 force and effect unless and until superseded, or except as
19 they may be amended, under the authority of this Act or
20 under other appropriate authority.

Passed the House of Representatives July 26, 1950.

Attest:

RALPH R. ROBERTS,

Clerk.

81ST CONGRESS
2d Session

H. R. 9038

AN ACT

To authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes.

JULY 27 (legislative day, JULY 20), 1950

Read twice and ordered to be placed on the calendar



COUNCIL OF MOTION PICTURE
ORGANIZATIONS,
COMMITTEE ON TAXATION
AND LEGISLATION,
Washington, D. C., July 20, 1950.
HON. ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WILEY: The motion-picture-theater owners among your constituents have informed this committee of your interest in relieving them of the burden of the 20-percent Federal tax on theater admissions, which tax is largely responsible for the present depressed state of the theater business.

While the theater owners stand in dire need of the relief which repeal of the admission tax would give them, they recognize that the national defense comes first and that Congress could not do otherwise than defer action on tax legislation pending clarification of the war situation.

We would be remiss if we did not express to you our appreciation of your sympathetic understanding of the problems of our industry. You may be sure that this feeling of gratitude is shared by the theater owners in your State.

We, of course, do not know what the future has in store, but we earnestly hope that when the war clouds have passed over and Congress again turns its attention to taxes, you will have in mind the urgent need of the theaters for the elimination of the admission tax, as set forth in the hearings before the Ways and Means and Finance Committees.

With high regard,
Yours very truly,

ABRAM F. MYERS.

(Committee members: Abram F. Myers, chairman, Allied States Association of Motion Picture Exhibitors; Henderson M. Richey, Loew's Inc., Aide to the committee; Art Arthur, Motion Picture Industry Council; Carter Barron, Variety Clubs International; A. Julian Brylawski, Theater Owners of America; Jack Bryson, Motion Picture Association of America; Oscar A. Doob, Metropolitan Motion Picture Theaters Association; Jay Emanuel, Trade Press Publishers; Marvin L. Faris, Society of Independent Motion Picture Producers; Rotus Harvey, Pacific Coast Conference of Independent Theater Owners; Morton Sunshine, Independent Theater Owners Association.)

THE CALENDAR

The VICE PRESIDENT. Under the unanimous-consent agreement, the call of the calendar will now be resumed, and the next bill on the calendar will be—

CREDIT FOR TIME SERVED IN FEDERAL PENAL INSTITUTIONS FOR PURPOSES OF PAROLE

The bill (S. 946) to permit credit, for purposes of parole, for time served in a Federal penal institution under an illegal conviction or sentence in the case of a person who is subsequently legally convicted and sentenced for the same offense was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. MARTIN. Mr. President, I do not know whether this is the proper time for the request, but yesterday I objected to the consideration of Order No. 1850, House bill 7155, to authorize the Secretary of Agriculture to cooperate with the States to enable them to provide technical services to private forest landowners, and for other purposes. I should like to ask unanimous consent to return to that

order so that I may withdraw my objection.

Mr. CHAVEZ subsequently said: A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. CHAVEZ. Did the Senator from Pennsylvania ask that as the first order of business the Senate return to Order No. 1850?

The VICE PRESIDENT. The Senator from Pennsylvania asked that the Senate return to that number in order that he might withdraw his objection, but since the clerk has called another bill, the Chair would like to dispose of that. Is there objection to the present consideration of Senate bill 946?

There being no objection, the bill (S. 946) to permit credit, for purposes of parole, for time served in a Federal penal institution under an illegal conviction or sentence in the case of a person who is subsequently legally convicted and sentenced for the same offense was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc. That title 18, United States Code, section 3568, is amended by inserting after the first paragraph thereof the following new paragraph:

"If the conviction or sentence of any such person is subsequently adjudged void and such person is again sentenced for the same offense, such subsequent sentence, or any modification thereof, shall commence to run from the same date as the original sentence; except that such date shall be postponed by a number of days equal to the number of days during which such person was not in actual confinement after such date."

SEC. 2. The amendment made by section 1 shall be applicable to any sentence commencing prior to, on, or after the date of enactment of this act.

PROVISION OF TECHNICAL SERVICES TO PRIVATE FOREST LANDOWNERS

The VICE PRESIDENT. Is there objection to returning to order of business 1850, House bill 7155, referred to by the Senator from Pennsylvania?

There being no objection, the Senate proceeded to consider the bill (H. R. 7155), to authorize the Secretary of Agriculture to cooperate with the States to enable them to provide technical services to private forest landowners, and for other purposes, which had been reported from the Committee on Agriculture and Forestry, with amendments, on page 2, line 7, after the word "possession," to insert "The provisions of this act and the plan agreed upon for each State, Territory, or possession shall be carried out in such manner as to encourage the utilization of private agencies and individuals furnishing services of the type described in this section," and on page 3, line 14, after "June 30", to strike out "1950" and insert "1951".

The amendments were agreed to.

Mr. ELLENDER. Mr. President, I appreciate the action just taken by the distinguished junior Senator from Pennsylvania [Mr. MARTIN].

Last year the Congress passed House bill 2296, the so-called Granger bill, which provided an expanded program for three aspects of Federal-State cooperation in forestry, namely, forest-fire

protection, reforestation, and farm-forestry extension work. The pending bill, House bill 7155, deals with a fourth aspect of Federal-State cooperation in forestry, that is, the providing of technical services to private forest landowners and primary processors of forest products.

The pending bill would repeal the Norris-Doxey Cooperative Farm Forestry Act of 1937. That act provided for cooperation through the States in farm forestry research, extension, and forest-management assistance. As I have stated, the Congress has already provided for the first two of these Norris-Doxey programs through enactment of the so-called Granger bill last year, and the pending bill would take care of the forest-management assistance that has been made available under Norris-Doxey. The principal differences between the forest management assistance program now in effect under Norris-Doxey, and that authorized under the pending bill, are as follows:

First. The Norris-Doxey Act authorizes assistance only to farmers owning woodlots. The pending bill would permit similar assistance to be given to non-farm forest owners.

Second. The Norris-Doxey Act does not permit assistance to be given to processors of forest products, such as small sawmill owners, whereas such assistance is provided for in the pending bill.

Third. Under the Norris-Doxey Act, direct Federal aid to individual landowners may be given in default of cooperation by the States. House bill 7155, which is now before us, does not authorize direct Federal assistance, except as agreed to in a plan for each individual State.

Mr. President, the Senate Agriculture Committee has recommended an amendment to House bill 7155 as passed by the House, which specifies that the new program will be carried out by the Secretary of Agriculture in such manner as to encourage the utilization of private consulting foresters. While Department of Agriculture officials have assured the committee that this policy has been carried out in the past and is in effect now, there is no comparable language in the Norris-Doxey Act.

The pending bill carries an annual authorization of \$2,500,000. Since the Norris-Doxey Act also authorizes an expenditure of \$2,500,000 annually, and since the Norris-Doxey Act will be repealed if House bill 7155 becomes law, there will be no increase in the over-all authorization. The Senate Committee on Agriculture and Forestry recommends, however, that the effective date for repeal of the Norris-Doxey Act be postponed to June 30, 1951, for the reason that appropriations for the Federal-State technical assistance program have been budgeted under the authority of the Norris-Doxey Act and the omnibus appropriation bill for the fiscal year 1950-51 has progressed too far to permit a change-over at this late date to the new program provided under House bill 7155. It is contemplated, therefore, that the revised program provided in this bill will not become operative until the fiscal year 1951-52.

Mr. President, this legislation is aimed primarily at helping the thousands of small forest landowners throughout the Nation to maintain sound forestry practices. Throughout the United States there are 4,250,000 farm and other small woodland owners who together own three-fourths of all private commercial forest land. In addition there are 50,000 small processors of primary forest products who need help. These small owners and processors need technical assistance in forest management and in the harvesting, marketing, and processing of primary forest products. Most of these cannot afford to hire foresters on either a long-term or consulting basis. The States and the Federal Government, therefore, must provide some technical forestry assistance for the small landowners and small processors if the bulk of our Nation's forest resource is to be made productive.

H. R. 7155 simply brings together, clarifies, and expands authority for technical services and assistance to private woodland owners and processors. As I have stated it is aimed mainly at the small owners and processors. It should furnish the impetus for placing the Federal-State programs in this field on a basis for rendering a much more effective program.

The VICE PRESIDENT. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILLS PASSED OVER

The bill (H. R. 6606) to provide that the district judge for the eastern, middle, and western districts of Pennsylvania shall become a district judge for the middle district of Pennsylvania, alone when the first vacancy occurs in that district was announced as next in order.

Mr. MARTIN. I object.

The VICE PRESIDENT. The Senator from Pennsylvania objects, and the bill will be passed over.

The bill (S. 490) for the relief of Frank Miller was announced as next in order.

Mr. McCARRAN. Mr. President, on what number of the calendar are we now working?

The VICE PRESIDENT. The Senate is about to consider Order of Business No. 2011, Senate bill 490.

Mr. McCARRAN. What became of Order of Business No. 2007?

The VICE PRESIDENT. It went over. The Senator from Pennsylvania [Mr. MARTIN] objected.

Mr. SCHOEPPEL. On what calendar number are we now working?

The VICE PRESIDENT. Order of Business No. 2011, Senate bill 490.

Mr. SCHOEPPEL. Over.

The VICE PRESIDENT. The Senator from Kansas objects, and the bill will be passed over.

The bill (H. R. 6616) to provide for the expeditious naturalization of former citizens of the United States who have lost United States citizenship through voting in a political election or in a plebiscite

held in Italy was announced as next in order.

Mr. CHAVEZ. Over.

The VICE PRESIDENT. The Chair will ask Senators to identify themselves when they say "Over" so that he may know who objects.

Mr. CHAVEZ. Over.

The VICE PRESIDENT. The Senator from New Mexico objects, and the bill will be passed over.

MODERNIZATION OF GOVERNMENTAL ACCOUNTING PROCEDURES

The bill (S. 3850) to authorize the President to determine the form of the national budget and of departmental estimates to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes, was announced as next in order.

The VICE PRESIDENT. There is an identical House bill on the calendar.

Mr. McCLELLAN. Mr. President, there is a House bill on the calendar which is identical save for certain amendments made by the House. After certain amendments to the bill are considered I should, of course, before final passage like to have the House bill substituted for the Senate bill and passed.

Mr. President, I shall not take time to make any remarks concerning the bill.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 3850) to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes.

The bill is as follows:

Be it enacted, etc., That this act may be cited as the "Budget and Accounting Procedures Act of 1950."

TITLE I—BUDGETING AND ACCOUNTING

PART I—BUDGETING

Definition

SEC. 101. Section 2 of the Budget and Accounting Act, 1921 (42 Stat. 20), is amended by adding at the end thereof the following:

"The term 'appropriations' includes, in appropriate context, funds and authorizations to create obligations by contract in advance of appropriations."

PERFORMANCE BUDGET AND REGULATIONS

SEC. 102. (a) Section 201 of such act is amended to read as follows:

"Sec. 201. The President shall transmit to Congress during the first 15 days of each regular session, the budget, which shall set forth his budget message, summary data and text, and supporting detail. The budget shall set forth in such form and detail as the President may determine—

"(a) functions and activities of the Government, constituting a performance budget;

"(b) a segregation of operating, and of capital and investment programs;

"(c) any other desirable classifications of data;

"(d) a reconciliation of the summary data on expenditures with proposed appropriations;

"(e) estimated expenditures and proposed appropriations necessary in his judgment for the support of the Government for the ensuing fiscal year, except that estimated expenditures and proposed appropriations for

such year for the legislative branch of the Government and the Supreme Court of the United States shall be transmitted to the President on or before October 15 of each year, and shall be included by him in the budget without revision;

"(f) estimated receipts of the Government during the ensuing fiscal year, under (1) laws existing at the time the budget is transmitted and also (2) under the revenue proposals, if any, contained in the budget;

"(g) actual appropriations, expenditures, and receipts of the Government during the last completed fiscal year;

"(h) estimated expenditures and receipts, and actual or proposed appropriations of the Government during the fiscal year in progress;

"(i) balanced statements of (1) the condition of the Treasury at the end of the last completed fiscal year, (2) the estimated condition of the Treasury at the end of the fiscal year in progress, and (3) the estimated condition of the Treasury at the end of the ensuing fiscal year if the financial proposals contained in the budget are adopted;

"(j) all essential facts regarding the bonded and other indebtedness of the Government; and

"(k) such other financial statements and data as in his opinion are necessary or desirable in order to make known in all practicable detail the financial condition of the Government."

(b) Section 203 of such act is amended to read as follows:

"Sec. 203. (a) The President from time to time may transmit to Congress such proposed supplemental or deficiency appropriations as in his judgment (1) are necessary on account of laws enacted after the transmission of the budget, or (2) are otherwise in the public interest. He shall accompany such proposals with a statement of the reasons therefor, including the reasons for their omission from the budget.

"(b) Whenever such proposed supplemental or deficiency appropriations reach an aggregate which, if they had been contained in the budget, would have required the President to make a recommendation under subsection (a) of section 202, he shall thereupon make such recommendation."

(c) Section 204 of such act is amended to read as follows:

"Sec. 204. Except as otherwise provided in this act, the contents, order, and arrangement of the proposed appropriations and the statements of expenditures and estimated expenditures contained in the budget or transmitted under section 203, and the notes and other data submitted therewith, shall conform to requirements prescribed by the President."

(d) Section 205 of such act is amended to read as follows:

"Sec. 205. Whenever any basic change is made in the form of the budget, the President, in addition to the budget, shall transmit to Congress such explanatory notes and tables as may be necessary to show where the various items embraced in the budget of the prior year are contained in the new budget."

(e) The last sentence of section 207 of such act is amended to read as follows: "The Bureau, under such rules and regulations as the President may prescribe, shall prepare the budget, and any proposed supplemental or deficiency appropriations, and to this end shall have authority to assemble, correlate, revise, reduce, or increase the requests for appropriations of the several departments or establishments."

(f) Section 214 of such act is amended to read as follows:

"Sec. 214. The head of each department and establishment shall prepare or cause to be prepared in each year his requests for regular, supplemental, or deficiency appropriations."

(g) Section 215 of such act is amended to read as follows:

"Sec. 215. The head of each department and establishment shall submit his requests for appropriations to the Bureau on or before a date which the President shall determine. In case of his failure to do so, the President shall cause such requests to be prepared as are necessary to enable him to include such requests with the budget in respect to the work of such department or establishment."

(h) Section 216 of such act is amended to read as follows:

"Sec. 216. Requests for regular, supplemental, or deficiency appropriations which are submitted to the Bureau by the head of any department or establishment shall be prepared and submitted as the President may determine in accordance with the provisions of section 201."

Transitory provisions

Sec. 103. In order to expedite the conversion from present budgeting and accounting methods to the performance type of budget contemplated in the amendments made by this part, the head of such department and establishment in the executive branch of the Government, with the approval of the President, is authorized and directed, until the end of the second full fiscal year following the date of the enactment of this act, to make such transfers and adjustments within his department or establishment between appropriations available for obligation by such department or establishment in such manner as he deems necessary to cause the obligation and administration of funds and the reports of expenditures to reflect the financial requirements of the functions and activities of the department or establishment. Reports of transfers and adjustments made pursuant to the authority of this section shall be made currently to the President and the Congress.

Government statistical activities

Sec. 104. The President, through the Director of the Bureau of the Budget, is authorized and directed to develop programs and to issue regulations and orders for the improved gathering, compiling, analyzing, publishing, and disseminating of statistical information for any purpose by the various agencies in the executive branch of the Government. Such regulations and orders shall be adhered to by such agencies.

Improved administration of executive agencies

Sec. 105. The President, through the Director of the Bureau of the Budget, is authorized and directed to evaluate and develop improved plans for the organization, coordination, and management of the executive branch of the Government with a view to efficient and economical service.

Business-type budgets

Sec. 106. The first two sentences of section 102 of the Government Corporation Control Act of 1945 (59 Stat. 597), are amended to read as follows: "Each wholly owned Government corporation shall cause to be prepared annually a business-type budget which shall be submitted to the Bureau of the Budget, under such rules and regulations as the President may establish as to the date of submission, the form and content, the classifications of data, and the manner in which such budget program shall be prepared and presented."

PART II—ACCOUNTING AND AUDITING

Short title

Sec. 110. This part may be cited as the "Accounting and Auditing Act of 1950."

Declaration of policy

Sec. 111. It is the policy of the Congress in enacting this part that—

(a) The accounting of the Government provide full disclosure of the results of finan-

cial operations, adequate financial information needed in the management of operations and the formulation and execution of the budget, and effective control over income, expenditures, funds, property, and other assets.

(b) Full consideration be given to the needs and responsibilities of both the legislative and executive branches in the establishment of accounting and reporting systems and requirements.

(c) The maintenance of accounting systems and the producing of financial reports with respect to the operations of executive agencies, including central facilities for bringing together and disclosing information on the results of the financial operations of the Government as a whole, be the responsibility of the executive branch.

(d) The auditing for the Government, conducted by the Comptroller General of the United States as an agent of the Congress be directed at determining the extent to which accounting and related financial reporting fulfill the purposes specified, financial transactions have been consummated in accordance with laws, regulations or other legal requirements, and adequate internal financial control over operations is exercised, and afford an effective basis for the settlement of accounts of accountable officers.

(e) Emphasis be placed on effecting orderly improvements resulting in simplified and more effective accounting, financial reporting, budgeting, and auditing requirements and procedures and on the elimination of those which involve duplication or which do not serve a purpose commensurate with the costs involved.

(f) The Comptroller General of the United States, the Secretary of the Treasury, and the Director of the Bureau of the Budget conduct a continuous program for the improvement of accounting and financial reporting in the Government.

Accounting and reporting provisions

Sec. 112. (a) The Comptroller General of the United States, after consulting the Secretary of the Treasury and the Director of the Bureau of the Budget concerning their accounting, financial reporting, and budgetary needs, and considering the needs of the other executive agencies, shall prescribe the principles, standards, and related requirements for accounting to be observed by each executive agency, including requirements for suitable integration between the accounting processes of each executive agency and the accounting of the Treasury Department. Requirements prescribed by the Comptroller General shall be designed to permit the executive agencies to carry out their responsibilities under section 113 of this part, while providing a basis for integrated accounting for the Government, full disclosure of the results of the financial operations of each executive agency and the Government as a whole, and financial information and control necessary to enable the Congress and the President to discharge their respective responsibilities. The Comptroller General shall continue to exercise the authority vested in him by section 205 (b) of the Federal Property and Administrative Services Act of 1949 (63 Stat. 389) and, to the extent he deems necessary, the authority vested in him by section 309 of the Budget and Accounting Act, 1921 (42 Stat. 25). Any such exercise of authority shall be consistent with the provisions of this section.

(b) The General Accounting Office shall cooperate with the executive agencies in the development of their accounting systems, including the Treasury Department, in the development and establishment of the system of central accounting and reporting required by section 114 of this part. Such accounting systems shall be approved by the Comptroller General when deemed by him to be adequate and in conformity with the

principles, standards, and related requirements prescribed by him.

(c) The General Accounting Office shall from time to time review the accounting systems of the executive agencies. The results of such reviews shall be available to the heads of the executive agencies concerned, to the Secretary of the Treasury, and to the Director of the Bureau of the Budget, and the Comptroller General shall make such reports thereon to the Congress as he deems proper.

Sec. 113. (a) The head of each executive agency shall establish and maintain systems of accounting and internal control designed to provide—

(1) full disclosure of the financial results of the agency's activities;

(2) adequate financial information needed for the agency's management purposes;

(3) effective control over and accountability for all funds, property, and other assets for which the agency is responsible, including appropriate internal audit;

(4) reliable accounting results to serve as the basis for preparation and support of the agency's budget requests, for controlling the execution of its budget, and for providing financial information required by the Bureau of the Budget under section 213 of the Budget and Accounting Act, 1921 (42 Stat. 23);

(5) suitable integration of the accounting of the agency with the accounting of the Treasury Department in connection with the central accounting and reporting responsibilities imposed on the Secretary of the Treasury by section 114 of this part.

(b) The accounting systems of executive agencies shall conform to the principles, standards, and related requirements prescribed by the Comptroller General pursuant to section 112 (a) of this part.

Sec. 114. (a) The Secretary of the Treasury shall prepare such reports for the information of the President, the Congress, and the public as will present the results of the financial operations of the Government: *Provided*, That there shall be included such financial data as the Director of the Bureau of the Budget may require in connection with the preparation of the Budget or for other purposes of the Bureau. Each executive agency shall furnish the Secretary of the Treasury such reports and information relating to its financial condition and operations as the Secretary, by rules and regulations, may require for the effective performance of his responsibilities under this section.

(b) The Secretary of the Treasury is authorized to establish the facilities necessary to produce the financial reports required by subsection (a) of this section. The Secretary is further authorized to reorganize the accounting functions and install, revise, or eliminate accounting procedures and financial reports of the Treasury Department in order to develop effective and coordinated systems of accounting and financial reporting in the several bureaus and offices of the Department with such concentration of accounting and reporting as is necessary to accomplish integration of accounting results for the activities of the Department and provide the operating center for the consolidation of accounting results of other executive agencies with those of the Department. The authority vested in and the duties imposed upon the Department by sections 10, 15, and 22 of the act entitled "An act making appropriations for the legislative, executive, and judicial branches of the Government for the fiscal year ending June 30, 1895, and for other purposes," approved July 31, 1894 (28 Stat. 162, 208-210), may be exercised and performed by the Secretary of the Treasury as a part of his broader authority and duties under this section and in such a manner as to provide a unified system of central ac-

counting and reporting on the most efficient and useful basis.

(c) The system of central accounting and reporting provided for herein shall be consistent with the principles, standards, and related requirements prescribed by the Comptroller General pursuant to section 112 of this part.

SEC. 115. (a) When the Secretary of the Treasury and the Comptroller General determine that existing procedures can be modified in the interest of simplification, improvement, or economy, with sufficient safeguards over the control and accounting for the public funds, they may issue joint regulations providing for the waiving, in whole or in part, of the requirements of existing law that—

(1) warrants be issued and countersigned in connection with the receipt, retention, and disbursement of public moneys and trust funds; and

(2) funds be requisitioned, and advanced to accountable officers under each separate appropriation head or otherwise.

(b) Such regulations may further provide for the payment of vouchers by authorized disbursing officers by means of checks issued against the general account of the Treasurer of the United States: *Provided*, That in such case the regulations shall provide for appropriate action in the event of delinquency by disbursing officers in the rendition of their accounts or for other reasons arising out of the condition of the officers' accounts, including under necessary circumstances, the suspension or withdrawal of authority to disburse.

SEC. 116. The Comptroller General is authorized to discontinue the maintenance in the General Accounting Office of appropriation, expenditure, limitation, receipt, and personal ledger accounts when in his opinion the accounting systems and internal control of the executive, legislative, and judicial agencies are sufficient to enable him to perform properly the functions to which such accounts relate.

Auditing provisions

SEC. 117. (a) Except as otherwise specifically provided by law, the financial transactions of each executive, legislative, and judicial agency, including but not limited to the accounts of accountable officers, shall be audited by the General Accounting Office in accordance with such principles and procedures and under such rules and regulations as may be prescribed by the Comptroller General of the United States. In the determination of auditing procedures to be followed and the extent of examination of vouchers and other documents, the Comptroller General shall give due regard to generally accepted principles of auditing, including consideration of the effectiveness of accounting organizations and systems, internal audit and control, and related administrative practices of the respective agencies.

(b) Whenever the Comptroller General determines that the audit shall be conducted at the place or places where the accounts and other records of an executive agency are normally kept, he may require any executive agency to retain in whole or in part accounts of accountable officers, contracts, vouchers, and other documents, which are required under existing law to be submitted to the General Accounting Office, under such conditions and for such period not exceeding 10 years as he may specify, unless a longer period is agreed upon with the executive agency: *Provided*, That under agreements between the Comptroller General and legislative and judicial agencies the provisions of this sentence may be extended to the accounts and records of such agencies.

General provisions

SEC. 118. As used in this part, the term "executive agency" means any executive department or independent establishment in the executive branch of the Government but

(a) except for the purposes of sections 114, 116, and 119 shall not include any Government corporation or agency subject to the Government Corporation Control Act (59 Stat. 597), and (b) except for the purposes of sections 111, 114, and 116 shall not include the Post Office Department.

SEC. 119. The head of each executive agency is authorized to designate the place or places, at the seat of government or elsewhere, at which the administrative examination of fiscal officers' accounts will be performed, and with the concurrence of the Comptroller General to waive the administrative examination in whole or in part: *Provided*, That the same authority is hereby conferred upon the officers responsible for the administrative examination of accounts for legislative and judicial agencies.

TITLE II—APPROPRIATIONS

Transfers between appropriations

SEC. 201. After the end of the second full fiscal year following the date of enactment of this act, with the approval of the President, the head of each department and establishment in the executive branch of the Government is authorized to make transfers and adjustments between appropriations within his department or establishment in order to promote economy and efficiency, but no appropriation shall be increased or decreased thereby during any fiscal year by more than 5 percent. Reports of such transfers and adjustments with the reasons therefor shall be made currently to the President and the Congress and shall be summarized annually in the budget.

Authorizations for appropriations

SEC. 202. No requests for legislation, which, if enacted, would authorize subsequent appropriations for a department or establishment in the executive branch of the Government, shall be transmitted to the Bureau of the Budget, to the President, or to the Congress by such department or establishment, or by any organizational unit thereof, without the prior approval of the head of such department or establishment.

Reductions in appropriations

SEC. 203. To promote economy and to reduce expenditures, the President is authorized to establish and to modify from time to time reserves from appropriations for the executive branch of the Government to the extent that he determines that the purposes intended by the Congress will be accomplished by the expenditure of amounts less than the amounts appropriated.

Adjustment of appropriations for reorganization

SEC. 204. (a) When under authority of law a function or an activity is transferred or assigned from one agency within any department or establishment to another agency in the same department or establishment, the balance of appropriations which are determined by the head of such department or establishment to be available and necessary to finance or discharge the function or activity so transferred or assigned may, with the approval of the President, be transferred to, and be available for use by, the agency to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby authorized to be established, and shall be merged with funds in the applicable existing or newly established appropriation account or accounts and thereafter accounted for as one fund.

(b) When under authority of law a function or activity is transferred or assigned from one department or establishment to another department or establishment, the balance of appropriations which are deter-

mined by the President to be available and necessary to finance or discharge the function or activity so transferred or assigned, shall be transferred to and be available for use by the department or established to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby authorized to be established, and shall be merged with funds in the applicable existing or newly established appropriation account or accounts and thereafter accounted for as one fund.

TITLE III—REPEALS AND SAVING PROVISIONS

Repeals

SEC. 301. The following acts and parts of acts are hereby repealed:

(1) Section 10 of the act of August 1, 1914 (38 Stat. 680; U. S. C., title 31, sec. 582).

(2) So much of section 4 of the act of June 20, 1874 (18 Stat. 109; U. S. C., title 31, sec. 583 (1)), as reads: "and hereafter the Secretary of the Treasury shall annually submit to Congress detailed estimates of appropriations required for said expenses;"

(3) The last proviso in the first paragraph under the heading "Judgments; United States Courts" of the act of April 27, 1904 (33 Stat. 422; U. S. C., title 31, sec. 583 (2)).

(4) The last sentence of section 5 of the act of August 5, 1882 (22 Stat. 256; U. S. C., title 31, sec. 583 (3)).

(5) So much of the matter appearing under the heading "Mints and Assay Offices" of the act of March 4, 1911 (36 Stat. 1292; U. S. C., title 31, sec. 583 (4)), as reads: "and the Secretary of the Treasury shall, for the fiscal year 1913, and annually thereafter, submit to Congress, in the regular book of estimates, detailed estimates for the expenses of this Service."

(6) So much of the matter appearing under the heading "Treasury Department" in the act of August 26, 1912 (37 Stat. 596; U. S. C., title 31, sec. 583 (5)), as reads: "*Provided further*, That estimates hereunder shall be submitted in detail for the fiscal year 1914, and annually thereafter."

(7) The last sentence of the paragraph under the heading "Federal Farm Loan Board" of the act of September 8, 1916 (U. S. C., title 31, sec. 583 (7)), appearing on page 803 of volume 39 of the Statutes at Large; and the third and last paragraph under the heading "Federal Farm Loan Bureau" of the act of March 3, 1917 (U. S. C., title 31, sec. 583 (7)), appearing on page 1084 of volume 39 of the Statutes at Large.

(8) The last sentence on page 48 of volume 30 of the Statutes at Large, in the act of June 4, 1897 (U. S. C., title 31, sec. 583 (8)).

(9) The first sentence of section 6 of the act of March 3, 1919 (40 Stat. 1309; U. S. C., title 31, sec. 583 (10)).

(10) The last proviso under the heading "Office of the Chief Signal Officer" of the act of March 2, 1907 (34 Stat. 1159; U. S. C., title 31, sec. 583 (11)).

(11) The sixth full paragraph appearing on page 648 of volume 29 of the Statutes at Large in the act of March 3, 1897 (U. S. C., title 31, sec. 583 (13)).

(12) So much of the matter following the heading "Bureau of Mines" in the act of March 3, 1915 (38 Stat. 858; U. S. C., title 31, sec. 583 (14)) as reads: "estimates shall be submitted specifically for all personal services required permanently and entirely in the Bureau of Mines at Washington, D. C., and previously paid from lump-sum or general appropriations;"

(13) The proviso at the end of the fourth paragraph on page 312 of volume 37 of the Statutes at Large, in the act of August 17, 1912 (U. S. C., title 31, sec. 583 (15)).

(14) The third paragraph appearing on page 1082 of volume 32 of the Statutes at

Large, in the act of March 3, 1903 (U. S. C., title 31, sec. 583 (16)).

(15) So much of section 12 of the act of June 26, 1906 (34 Stat. 480; U. S. C., title 31, sec. 583 (18)), as reads: "and he shall annually submit to Congress estimates to cover the cost of the establishment and maintenance of fish hatcheries in Alaska, the salaries and actual traveling expenses of such officials, and for such other expenditures as may be necessary to carry out the provisions of this act."

(16) The proviso at the end of the first full paragraph on page 456 of volume 32 of the Statutes at Large, in the act of June 28, 1902 (U. S. C., title 31, sec. 583 (20)).

(17) The second full paragraph on page 841 of volume 38 of the Statutes at Large, in the act of March 3, 1915 (U. S. C., title 31, sec. 583 (21)).

(18) The fourth full paragraph on page 2 of volume 38 of the Statutes at Large, in the act of May 1, 1913 (U. S. C., title 31, sec. 583 (22)).

(19) The proviso at the end of the second paragraph under the heading "Bureau of Immigration and Naturalization" of the act of March 4, 1907 (34 Stat. 1329, 1330; U. S. C., title 31, sec. 583 (23)).

(20) The second full paragraph on page 374 of volume 35 of the Statutes at Large, in the act of May 27, 1908 (U. S. C., title 31, sec. 583 (25)).

(21) So much of the last paragraph on page 396 of volume 37 of the Statutes at Large, in the act of August 23, 1912 (U. S. C., title 31, sec. 583 (26)), as reads: "For the fiscal year nineteen hundred and fourteen and annually thereafter estimates in detail shall be submitted for all personal services required in the Indian Office."

(22) The proviso at the end of the first full paragraph on page 646 of volume 41 of the Statutes at Large, in the act of May 29, 1920 (U. S. C., title 31, sec. 584).

(23) Section 3660 of the Revised Statutes (U. S. C., title 31, sec. 585).

(24) Section 4 of the act of June 22, 1906 (34 Stat. 448; U. S. C., title 31, sec. 586).

(25) Section 4 of the act of March 4, 1909 (35 Stat. 907; U. S. C., title 31, sec. 587).

(26) Section 2 of the act of June 30, 1906 (34 Stat. 762; U. S. C., title 31, sec. 588); and the proviso in the first paragraph on page 1367 of volume 34 of the Statutes at Large, in the act of March 4, 1907 (U. S. C., title 31, sec. 588).

(27) Section 3661, as amended, of the Revised Statutes (U. S. C., title 31, sec. 589).

(28) So much of the first paragraph on page 255 of volume 24 of the Statutes at Large, in the act of August 4, 1886 (U. S. C., title 31, sec. 590), as reads: "Provided further, That all printing and engraving for the Geological Survey, the Coast and Geodetic Survey, the Hydrographic Office of the Navy Department, and the Signal Service shall hereafter be estimated for separately and in detail, and appropriated for separately for each of said bureaus."

(29) Section 3662 of the Revised Statutes (U. S. C., title 31, sec. 591).

(30) Section 3663 of the Revised Statutes, as amended (U. S. C., title 31, sec. 594).

(31) Section 3664 of the Revised Statutes (U. S. C., title 31, sec. 597).

(32) Section 3665 of the Revised Statutes (U. S. C., title 31, sec. 598).

(33) The second paragraph under the heading "Revenue-Cutter Service" in the act of March 2, 1889 (25 Stat. 907; U. S. C., title 31, sec. 600).

(34) So much of the second full paragraph on page 512 of volume 24 of the Statutes at Large, in the act of March 3, 1887 (U. S. C., title 31, sec. 601), as reads: "That the Secretary of the Treasury shall for the fiscal year 1887, and for each fiscal year thereafter in the annual estimates, report to Congress the number of persons employed outside of the District of Columbia,

as superintendents, clerks, watchmen and otherwise, and paid from appropriations for the construction of public buildings showing where said persons are employed, in what capacity, the length of time and at what rate of compensation."

(35) So much of the sixth full paragraph on page 374 of volume 26 of the Statutes at Large, in the act of August 30, 1890 (U. S. C., title 31, sec. 601) as reads: "and hereafter the Secretary of the Treasury shall annually report to Congress in the book of estimates a statement of the expenditure of the appropriation for 'repairs and preservation of public buildings' which shall show the amount expended on each public building and the number of persons employed and paid salaries from such appropriation."

(36) So much of section 1317 of the Revenue Act of 1921 (42 Stat. 314; U. S. C., title 31, sec. 602) as reads: "and the Secretary of the Treasury shall submit for the fiscal year 1921, and annually thereafter, an estimate of appropriations to refund and pay back duties or taxes erroneously or illegally assessed or collected under the Internal Revenue laws, and to pay judgments, including interest and costs, rendered for taxes or penalties erroneously or illegally assessed or collected under the internal revenue laws."

(37) The first paragraph on page 133 of volume 22 of the Statutes at Large, in the act of July 1, 1882 (U. S. C., title 31, sec. 603).

(38) The eighth paragraph under the heading "Foreign Intercourse" of the act of May 3, 1905 (33 Stat. 1214; U. S. C., title 31, sec. 603).

(39) The last paragraph on page 48 of volume 30 of the Statutes at Large, in the act of June 4, 1897 (U. S. C., title 31, sec. 604).

(40) The eighth paragraph under the heading "Under the Engineer Department" of the act of February 13, 1913 (37 Stat. 671; U. S. C., title 31, sec. 605).

(41) The sixth paragraph under the heading "Fortifications in Insular Possessions" of the act of March 3, 1905 (33 Stat. 847; U. S. C., title 31, sec. 606).

(42) So much of the first section of the act of August 4, 1886 (24 Stat. 246; U. S. C., title 31, sec. 607) as reads: "the estimates for the Army and Navy hospital service shall be submitted as a part of the Military Establishment."

(43) The first full paragraph on page 117 of volume 31 of the Statutes at Large, in the act of April 17, 1900 (U. S. C., title 31, sec. 609).

(44) Section 3668 of the Revised Statutes (U. S. C., title 31, sec. 610).

(45) So much of the first paragraph on page 357 of volume 20 of the Statutes at Large, in the act of March 3, 1879 (U. S. C., title 31, sec. 611), as reads: "Provided, That hereafter, in making his estimates for railway-mail service the Postmaster General shall separate the estimate for postal-car service from the general estimates; and in case any increase or diminution of service by postal cars shall be made by him, the reasons therefor shall be given in his annual report next succeeding such increase or diminution."

(46) So much of the first paragraph under the heading "United States Geological Survey" in the act of March 3, 1887 (24 Stat. 527; U. S. C., title 31, sec. 612), as reads: "and hereafter the estimates for the Geological Survey shall be itemized."

(47) The first paragraph on page 455 of volume 32 of the Statutes at Large, in the act of June 28, 1902 (U. S. C., title 31, sec. 612).

(48) Section 4 of the act of August 15, 1876 (19 Stat. 200; U. S. C., title 31, sec. 613).

(49) The fourth paragraph of section 26 of the act of June 30, 1913 (38 Stat. 103; U. S. C., title 31, sec. 613).

(50) The eighth full paragraph on page 1421 of volume 36 of the Statutes at Large,

in the act of March 4, 1911 (U. S. C., title 31, sec. 614).

(51) The eighth full paragraph on page 1206 of volume 33 of the Statutes at Large, in the act of March 3, 1905 (U. S. C., title 31, sec. 615).

(52) The fourth full paragraph under the heading "Government in the Territories" of the act of July 16, 1914 (38 Stat. 479; U. S. C., title 31, sec. 616).

(53) The first full paragraph on page 492 of volume 39 of the Statutes at Large, in the act of August 11, 1916 (U. S. C., title 31, sec. 617).

(54) The proviso in the first paragraph under the heading "Rent in the District of Columbia" of the act of March 4, 1915 (38 Stat. 1108; U. S. C., title 31, sec. 617).

(55) The seventh paragraph on page 433 of volume 32 of the Statutes at Large, in the act of June 28, 1902 (U. S. C., title 31, sec. 618).

(56) The ninth full paragraph on page 755 of volume 36 of the Statutes at Large, in the act of June 25, 1910 (U. S. C., title 31, sec. 618).

(57) The fourth full paragraph on page 362 of volume 27 of the Statutes at Large, in the act of August 5, 1892 (U. S. C., title 31, sec. 619).

(58) The first full paragraph on page 764 of volume 36 of the Statutes at Large, in the act of June 25, 1910 (U. S. C., title 31, sec. 620).

(59) Section 6 of the act of August 1, 1914 (38 Stat. 679; U. S. C., title 31, sec. 621).

(60) The last full sentence in the first paragraph on page 254 of volume 23 of the Statutes at Large, in the act of July 7, 1884 (U. S. C., title 31, sec. 622).

(61) Section 5 of the act of June 30, 1906 (34 Stat. 763; U. S. C., title 31, sec. 626).

(62) The proviso at the end of the first paragraph on page 579 of volume 37 of the Statutes at Large, in the act of August 24, 1912 (U. S. C., title 31, sec. 626).

(63) Section 7, as amended, of the act of August 26, 1912 (37 Stat. 626; 37 Stat. 790; U. S. C., title 31, sec. 629).

(64) The fourth full paragraph on page 854 of volume 37 of the Statutes at Large, in the act of March 4, 1913 (U. S. C., title 31, sec. 630).

(65) The proviso at the end of the seventh paragraph on page 1030 of volume 31 of the Statutes at Large, in the act of March 3, 1901 (U. S. C., title 31, sec. 633).

(66) The second paragraph under the heading "Contingent, Bureau of Ordnance" of the act of July 12, 1921 (42 Stat. 128; U. S. C., title 31, sec. 636), down through the first proviso therein.

(67) So much of the third paragraph under the heading "Contingent expenses, Navy Department" of the act of June 22, 1906 (34 Stat. 427; U. S. C., title 31, sec. 637), as reads: "and hereafter it shall not be lawful to expend, for any of the offices or bureaus of the Navy Department at Washington, any sum out of appropriations made for the naval establishment for any of the purposes mentioned or authorized in the said foregoing paragraph."

(68) So much of the paragraph under the heading "Increase of the Navy, equipment" of the act of March 3, 1915 (38 Stat. 952; U. S. C., title 31, sec. 648), as reads: "and beginning with July 1, 1915, equipment outfits shall be charged to appropriation 'Increase of the Navy, construction and machinery'."

(69) The two provisos in the paragraph under the heading "Fuel and transportation" of the act of March 3, 1915 (38 Stat. 944; U. S. C., title 31, sec. 649).

(70) The proviso in the tenth paragraph on page 236 of volume 28 of the Statutes at Large, in the act of August 6, 1894 (U. S. C., title 31, sec. 650).

(71) The fourth full paragraph on page 1175 of volume 34 of the Statutes at Large,

In the act of March 2, 1907 (U. S. C., title 31, sec. 655).

(72) So much of the first full paragraph on page 1391 of volume 42 of the Statutes at Large, in the act of March 2, 1923 (U. S. C., title 31, sec. 656), as reads: "and the budget estimates for each of such appropriations shall hereafter carry separately the amounts required for such transportation costs."

(73) The proviso in the seventh full paragraph on page 520 of volume 32 of the Statutes at Large, in the act of June 30, 1902 (U. S. C., title 31, sec. 657).

(74) The proviso in lines 2 through 8 on page 710 of volume 36 of the Statutes at Large, in the act of June 25, 1910 (U. S. C., title 31, sec. 664).

(75) Section 3682 of the Revised Statutes (U. S. C., title 31, sec. 674).

(76) Section 3683 of the Revised Statutes (U. S. C., title 31, sec. 675).

(77) The second full paragraph on page 1303 of volume 41 of the Statutes at Large, in the act of March 3, 1921 (U. S. C., title 31, sec. 676).

(78) The proviso in lines 7 through 17 on page 203 of volume 20 of the Statutes at Large, in the act of June 19, 1878 (U. S. C., title 31, sec. 677).

(79) Section 3684 of the Revised Statutes (U. S. C., title 31, sec. 681).

(80) Section 6 of the act of May 30, 1908 (U. S. C., title 31, sec. 683).

(81) So much of the paragraph under the heading "Pay of assistant custodians and janitors" on pages 1153 and 1154 of volume 31 of the Statutes at Large, in the act of March 3, 1901 (U. S. C., title 31, sec. 684), as reads: "and hereafter no other fund appropriated shall be used for this service."

(82) The second paragraph under the heading "United States Commerce Court" of the act of March 4, 1911 (36 Stat. 1234; U. S. C., title 31, sec. 687).

(83) Section 26 of the act of June 30, 1913 (38 Stat. 103; U. S. C., title 31, sec. 688).

(84) Section 400 of the Second Deficiency Appropriation Act, 1947 (U. S. C., title 31, sec. 694).

(85) Section 607 of the act of June 30, 1945, as amended (59 Stat. 304; U. S. C., title 5, sec. 947).

(86) Section 3 of the act of March 3, 1875, as amended (18 Stat. 370; U. S. C., title 31, sec. 624).

(87) So much of the act of March 26, 1934, as amended (48 Stat. 466; U. S. C., title 5, sec. 118c), as reads: "with the budget estimates."

(88) So much of the paragraph under the heading "Department of State" in the act of August 5, 1909 (36 Stat. 119; U. S. C., title 5, sec. 157), as reads: "and estimates for further appropriations hereunder shall include in detail salaries for all persons to be employed and paid in the Department of State at Washington, D. C."

(89) The last proviso under the heading "Working capital fund" in the act of July 12, 1943 (57 Stat. 393; U. S. C., title 5, sec. 558a).

(90) So much of section 17 of the act of May 22, 1920, as amended (41 Stat. 620; U. S. C., title 5, sec. 730), as reads: "annually to the Bureau of the Budget."

(91) Section 31 of the act of September 7, 1916, as amended (39 Stat. 749; U. S. C., title 5, sec. 782).

(92) The last sentence of section 35 of the act of September 7, 1916, as amended (39 Stat. 749; U. S. C., title 5, sec. 785).

(93) So much of section 1 of the act of October 1, 1890 (26 Stat. 653; U. S. C., title 10, sec. 214), as reads: "and the Signal Corps of the Army shall remain a part of the Military Establishment under the direction of the Secretary of War, and all estimates for its support shall be included with other estimates for the support of the Military Establishment."

(94) The last proviso of section 4 of the act of March 12, 1926 (44 Stat. 206; U. S. C., title 10, sec. 1597).

(95) So much of section 1 of the act of June 12, 1917, as amended (40 Stat. 153; U. S. C., title 16, sec. 452), as reads: "and the Secretary of the Interior is directed to submit, for the fiscal year 1919 and annually thereafter, estimates of the amounts required for the care, maintenance, and development of the said parks."

(96) So much of section 1 of the act of July 24, 1876, as amended (19 Stat. 99; U. S. C., title 24, sec. 278), as requires estimates for the care and maintenance of the national military cemeteries to be submitted annually by the Director of the National Park Service.

(97) So much of section 1 of the act of January 24, 1923 (42 Stat. 1208; U. S. C., title 31, sec. 12), as reads: "The aggregate of all estimates of appropriations from the reclamation fund contained in the budget for any fiscal year shall be included in the totals of the budget for that year."

(98) The second paragraph under the heading "Pay, Miscellaneous" of the act of March 3, 1909 (35 Stat. 754; U. S. C., title 31, sec. 609a).

(99) The third paragraph under the heading "Office of the Fourth Assistant Postmaster General" of the act of June 9, 1896 (29 Stat. 316; U. S. C., title 31, sec. 610a).

(100) The last proviso under the heading "National Home for Disabled Volunteer Soldiers" of the act of October 2, 1888, as amended (25 Stat. 543; U. S. C., title 31, sec. 719).

(101) Section 119 of the act of June 3, 1916 (39 Stat. 213; U. S. C., title 32, sec. 25).

(102) So much of the fourth full paragraph on page 558 of volume 39 of the Statutes at Large in the act of August 29, 1916 (U. S. C., title 34, sec. 504), as reads: "and the Secretary of the Navy shall each year, in the annual estimates, report to Congress the number of persons so employed, their duties, and the amount paid to each."

(103) The last proviso in the third paragraph on page 377 of volume 37 of the Statutes at Large in the act of August 23, 1912 (U. S. C., title 39, sec. 769).

(104) Section 27 of the act of January 12, 1895, as amended (28 Stat. 604; U. S. C., title 44, sec. 37).

(105) The eighth full paragraph on page 382 of volume 35 of the Statutes at Large in the act of May 27, 1908 (U. S. C., title 44, sec. 37).

(106) The last paragraph under the heading "Government in the Territories" in the act of June 20, 1874 (18 Stat. 99; U. S. C., title 48, sec. 1456).

Saving provisions

SEC. 302. (a) The omission of any provision of law from the provisions of law repealed under section 301 shall not be construed as limiting the application of section 201 or 216 of the Budget and Accounting Act, 1921, as amended, or the powers of the President thereunder, or as evidencing an intent that such provision was not to be superseded by such sections.

(b) Whenever any law authorizes expenditures for a particular object or purpose to be made from an appropriation item referred to in such law by the specific title theretofore used for that appropriation item in the appropriation act concerned, and thereafter such title is changed or is eliminated from such appropriation act, expenditures for such object or purpose thereafter may be made from any corresponding appropriation item.

(c) Except where authority for performance of a function is specifically repealed in section 301, none of the provisions of such section shall be construed as affecting the jurisdiction or responsibility of any agency or officer of the Government over any func-

tion or organizational unit referred to in such section.

(d) Existing laws, policies, procedures, and directives pertaining to functions covered by this act, and not inconsistent herewith or repealed hereby, shall remain in full force and effect unless and until superseded, or except as they may be amended, under the authority of this act or under other appropriate authority.

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the RECORD a general statement I have prepared, about the history of the bill, and also to place in the RECORD at this point a general analysis of the bill, as well as certain explanatory matter relating to the House amendment.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

HISTORY OF CONGRESSIONAL ACTION ON BUDGET AND ACCOUNTING PROCEDURES ACT OF 1950

A bill, S. 2054, drafted by Hoover Commission to conform to recommendations in its Report on Budgeting and Accounting, was introduced in the Senate June 13, 1949 by Senator MCCARTHY, of Wisconsin, and referred to the Senate Committee on Expenditures in the Executive Departments. Companion bills, H. R. 5178 and H. R. 5823, were introduced in the House on June 15 and August 1, 1949.

Hearings were held in the Senate on the bill from February 27 through March 7, 1950, at which time an opportunity was afforded for all witnesses to present their views and suggestions relative to desirable amendments to overcome objections to the original bill. It was the consensus of most witnesses that S. 2054 was unsatisfactory and that extensive amendments would be necessary before the bill would be acceptable to the Administration or to the Congress.

Following the hearings on S. 2054, the staff of the Senate Committee on Expenditures in the Executive Departments in collaboration with representatives of the General Accounting Office, the Bureau of the Budget, and the Department of the Treasury spent several months in perfecting language which was incorporated in Committee Prints dated June 21 and 27, and introduced as a committee bill, S. 3850, on June 29, 1950.

Further committee consideration was given to the revised bill, S. 3850, in executive session on July 10, at which time the bill was ordered reported favorably by unanimous vote of the committee. The report was filed in the Senate on July 12, 1950, as Senate Report No. 2031.

The House Committee on Expenditures in the Executive Departments took no action on the original bills until S. 3850 was introduced in the Senate, after which an identical bill (H. R. 9038) was introduced in the House on July 5, 1950, or six days after S. 3850 was filed. Hearings were held on the House bill on July 11, the day following Senate Committee action reporting favorably S. 3850. The House Committee, after deleting three sections of the bill (sections 103, 201, and 203) reported H. R. 9038, on July 13, 1950. The House report, except for the deletion of analyses as to these sections, followed the Senate report in practically identical language. The Committee stated in its report, House Report No. 2556, that "H. R. 9038 and a companion bill, S. 3850, provide the complete framework for bringing the budgeting, accounting, and auditing procedures of the Government up to date."

The Honorable Lindsay C. Warren, Comptroller General of the United States, testified before the House Committee on Expenditures in the Executive Departments that—

"The bill before your committee represents the outcome of months of work on the part of all parties concerned in improving the budgeting, accounting, and auditing procedures of the Government. It provides a solid foundation for bringing and keeping those procedures up to date and upon enactment, will become, in my opinion, a legislative landmark comparable only to the Budget and Accounting Act of 1921. The bill is identical with a measure, S. 3850, introduced by 11 members of the Senate Expenditures Committee and reported unanimously yesterday. S. 3850 grew out of full hearings by the Senate Committee on Expenditures and able and thorough work by the staff of the Senate committee, and discussions with the staff of this committee. It takes into consideration all viewpoints, and the technical staffs of the General Accounting Office, the Treasury Department, and the Bureau of the Budget were called upon in drafting it."

The Director of the Bureau of the Budget stated that—

"This bill, H. R. 9038 is similar to the Senate bill which was reported yesterday, which was a result of about 6 months of study by the staff of that committee and the staff of the three agencies represented here this morning. It flowed from an original bill introduced by Senator McCARTHY, which was considered earlier this year by the Senate committee.

"They were in the main, as far as the budgeting provisions are concerned, very similar. With respect to the accounting provisions, they were quite different.

"The committee asked for a study to be made of that bill, which was made in cooperation by the three agencies and the staff of the committee. As a result, a bill identical with this bill was considered yesterday and reported unanimously by the Senate committee.

"This bill represents, as the Secretary of the Treasury and the Comptroller General have stated, a real advance in budgeting and accounting legislation."

The amendments approved by the House committee would strike the following three sections from the original bill:

1. Section 103: This section would permit flexibility during a 2-year transitional period in making the budget and accounting changes provided for in the bill. The following is quoted from the Senate report as to its purpose:

"This will permit earlier and more orderly accomplishment of the contemplated reforms than would otherwise be possible in some instances. It permits department heads, with the approval of the President, to make certain transfers between appropriations within, not between, departments during the next two fiscal years, and provides that such transfers shall be reported to the President and the Congress to avoid abuse of the provision. Several departmental authorizations and numerous specific transfers already occur in existing statutes."

2. Section 201: This section would permit the head of each department to transfer, subject to the approval of the President, a maximum of 5 percent of appropriations, and is designed to give such department heads administrative flexibility in promoting economy and efficiency in the operations of the Government. It is designed to decrease the need for supplemental and deficiency appropriations, and to meet deficiencies that arise during a fiscal year period where less funds may be needed in one operation and increased activities are required to implement another program within the same agency. This is in direct compliance with the Hoover Commission recommendations to permit more flexibility in administration.

3. Section 203: This section authorizes the President to establish reserves from appropriations for the executive branch when-

ever he determines that the objectives of the appropriations made by Congress can be accomplished by the expenditure of an amount smaller than the appropriation. This clarifies the President's authority to secure economy and reduce expenditures, and is intended to be in addition to, and not in substitution for, any authority granted by law authorizing apportionment of appropriations or funds.

This section was added as a substitute for section 1111 of the omnibus appropriation bill, which accomplishes the same purpose but is far more extensive in its coverage. In the opinion of the committee it is a desirable provision, but should section 1111 of the Appropriation Act be approved by Congress this section would not be required and, in such event, the Senate could agree to the House action.

After only a brief hearing and consideration the House committee reported unanimously H. R. 9038 with the amendments indicated above. All testimony by witnesses at the House committee hearing by the Comptroller General, the Secretary of the Treasury, and the Director of the Bureau of the Budget with their technical assistants was devoted to endorsement of the bill as drafted by the Senate Committee on Expenditures in the Executive Departments. There was some discussion of the proposed deletion of these three sections during the questioning of the above witnesses.

The Senate is being asked to accept amendments adopted by the House committee to the Senate bill, after brief consideration as compared to 6 months of concentrated effort on the part of the staff of the Senate Committee on Expenditures in the Executive Departments and representatives of the General Accounting Office, the Bureau of the Budget, and the Department of the Treasury. I do not believe therefore that the Senate is justified in accepting either the amendments adopted in committee or two other so-called perfecting amendments to section 102, incorporated in the bill on the floor of the House. These latter two amendments strike specific recommendations of the Hoover Commission relating to the creation of a performance budget and the segregation of operating and of capital and investment programs in the budget message. The Senate committee took the view that these provisions were desirable and constructive.

In addition to the above amendments, Representative TABER, of New York, appeared before the Committee on Rules of the House in behalf of additional language to be incorporated in section 204, to provide for the continued submission to the Appropriations Committees the so-called green sheets. This section would be amended to read as follows:

"Sec. 204. (a) Except as otherwise provided in this act, the contents, order, and arrangement of the proposed appropriations and the statements of expenditures and estimated expenditures contained in the budget or transmitted under section 203, and the notes and other data submitted therewith, shall conform to requirements prescribed by the President (original H. R. 9038 up to this point, to which the following was added by amendments), and provided further, That nothing in this act shall be construed to limit the authority of the committees of Congress to request and receive such information in such form as they may desire in consideration of and action upon budget estimates.

"(b) The budget and statements furnished with any proposed supplemental or deficiency appropriations shall be accompanied by information as to personal services and other objects of expenditure in the same manner and form as in the budget for the fiscal year 1950: *Provided*, That this requirement may be waived or modified, either generally or in specific cases, by joint action of

the committees of Congress having jurisdiction over appropriation."

These amendments were submitted and approved on the floor of the House. There is no objection to them, but they are unnecessary as Congress already has full powers to procure whatever information it needs in support of appropriation requests.

In urging that the Senate insist on the language incorporated in the original bill, S. 3850, I feel that it is essential that the Congress recognize the fact that this is technical legislation and that all sections of the bill are closely interrelated. Each of the sections of the bill were drafted by budgeting, accounting and auditing experts to coordinate with other provisions within the proposed legislation. To arbitrarily eliminate these sections might well bring about complications which would interfere with the proper administration of other sections related to those that the House proposes to delete.

It is my firm conviction that if we are to have a completely interrelated program in the budgeting, accounting, and auditing fields that the bill should be retained in its entirety as approved by the three agencies vested with the administrative authority contained in the bill. This does not mean, however, that amendments might not be found to be desirable, but I feel that your committee, which has considered the measure carefully and extensively, should be permitted to work out any changes that may be found to be desirable and practical in conference. I therefore urge that the Senate bill be approved in its present form and substituted for the House bill so that a complete and workable act may be perfected.

**SPEECH OF SENATOR JOHN L. MCCLELLAN,
CHAIRMAN, SENATE COMMITTEE ON EXPENDITURES
IN THE EXECUTIVE DEPARTMENTS, IN
THE UNITED STATES SENATE**

The pending bill, S. 3850, is the result of more than 3 years' study on the part of the staff of the Committee on Expenditures in the Executive Departments, and representatives of the General Accounting Office, Treasury Department, and Bureau of the Budget. In drafting the bill, the committee also considered and examined carefully the recommendations of the Hoover Commission in its Report on Budgeting and Accounting. The Comptroller General, the Director of the Bureau of the Budget, and the Secretary of the Treasury appeared before the committee to express their approval of the bill. The Comptroller General, to whom the Congress looks for advice as their own agent in these matters, stated that the pending measure is "the most progressive and important piece of legislation in this field since the enactment of the Budget and Accounting Act of 1921."

The Hoover Commission characterized the Federal budget as "An inadequate document, poorly organized and improperly designed", and pointed out that no constructive action has been taken to improve Federal budgetary practices for almost 30 years. S. 3850 is an effort to correct that situation. It is a long overdue modernization of basic law on Federal budgeting. One of its primary objectives is to provide for the presentation of the budget to the Congress in a more informative and understandable manner.

The first six sections of part I of the bill deal with budgeting, and include the following general provisions:

A. Requires the budget to show a summary reconciliation as to the relationship between congressional appropriations and expenditures, which information is also needed to determine our tax requirements;

B. Requires that the budget be transmitted to the Congress during the first 15 days of each regular session, in lieu of the present requirement that it be presented on the first day, to prevent conflict with the

state of the Union message, and to provide for better coordination;

C. Places squarely on the head of each agency the responsibility for budget requests which are processed through the Bureau of the Budget, and for legislative proposals which would authorize appropriations, in conformity with the Hoover Commission recommendations;

D. Permits transfers between appropriations within a department during a 2-year period immediately following the enactment of the bill when the performance budget system is being installed. This section does not permit such transferred funds to be used for purposes other than those for which appropriated;

E. Clarifies and emphasizes the responsibility of the President and the Bureau of the Budget in the coordination of statistical programs and the improvement of Government administration generally.

Part II of title I is a complete Accounting and Auditing Act of 1950. It embodies the principles and objectives of the cooperative program which has been carried on for the past 3 years under the leadership of the three top fiscal officials of the Government—the Comptroller General of the United States, the Secretary of the Treasury, and the Director of the Bureau of the Budget—for the improvement of Federal accounting. This section has been drafted with a view to obtaining maximum benefits from work going forward under the program, and will help in the attainment of the budgetary improvements provided in other parts of the bill.

Briefly, this part carries out the following programs:

A. Clearly defines the responsibilities and duties of all the agencies and officials involved, with proper restrictions to insure coordination with an over-all program in accounting, financial reporting, budgeting, and auditing.

B. Continues in full force, and in some instances expands, the Comptroller General's authority over accounting, while providing that the agencies themselves assume responsibility for the development of their own detailed systems and procedures.

C. Imposes upon the Secretary of the Treasury the responsibility for central financial reporting, and authorizes him to perform such central accounting functions as are necessary for that purpose.

D. Includes a declaration of policy as to the purposes Government accounting shall serve, making clear the desire of Congress that full consideration be given to the needs of both the legislative and executive branches of the Government in the establishment of accounting systems.

E. In addition to the responsibility to prescribe accounting principles, standards, and related requirements vested in the Comptroller General, he is required to cooperate with the executive agencies, including the Treasury, in the development of their accounting systems, and establishing a system of central accounting and reporting.

F. Authorizes the Secretary of the Treasury and the Comptroller General to issue joint regulations providing for the waiver of requirements for warrants in connection with the expenditure of public funds, when in the interest of better operation and not jeopardizing effective controls; and permits the requisitioning and advance of funds to disbursing officers under such joint regulations.

G. Authority is granted to the Comptroller General to discontinue maintaining in the General Accounting Office certain accounts now being maintained when, in his opinion, the accounting systems and internal control of the agencies are sufficient to enable him to perform the functions of his office to which such accounts relate.

H. The auditing provisions will enable progressive decentralization and reassignment of GAO audits hand-in-hand with improve-

ments of agency accounting, internal control, and related procedures, including the administrative application of statutes governing expenditures.

These accounting and auditing provisions will permit the strengthening of congressional controls over accounting and make more effective the exercise of its power over the purse.

The bill incorporates every proposal of the Hoover Commission in its report on accounting and auditing, with the single exception of the recommendation for the creation of an accountant general under the Secretary of the Treasury. This recommendation goes counter to the long-established policy of the Congress authorizing the Comptroller General, as an agent of the Congress, to prescribe accounting requirements for executive agencies under which proper audit reports may be submitted to the Congress as to the expenditure of Federal funds in accordance with appropriation authorizations.

On this point, the House of Representatives is in complete accord with the action taken by the Senate Committee on Expenditures in the executive departments. No single voice was raised in that body in behalf of taking this authority away from the Comptroller General. Representative CLARENCE BROWN, of Ohio, a former member of the Hoover Commission, in commenting on this proposal, stated that: "This is in line, in general, with that exception, with all the Hoover Commission recommendations. So far as I know, and I do not want to speak out of turn for every other member of the commission, but those members on the Commission with whom I have discussed this matter are in favor of this legislation." That point of view coincides with the action taken by the Committee on Expenditures in reporting S. 3850 to the Senate and, I believe, accords with the views of practically every Member of this body.

Under title II, which relates to appropriations controls, the four general provisions are summarized in brief as follows:

A. Section 201 permits a department head to transfer funds from one appropriation to another, not to exceed a 5-percent maximum, to promote economy and efficiency. The committee believes that this provision would decrease the number of requests made each year for small deficiency or supplemental appropriations by making it possible to absorb limited added costs for necessary increased activities within amounts already appropriated. The limitation provided is sufficient, the committee believes, to prevent any abuse of this section or to bring about any divergence from program authorizations determined by the Congress.

B. Section 202 carries into effect a recommendation of the Hoover Commission with respect to granting authority to department heads to approve requests made by any unit of the agency for proposed legislation which would authorize appropriations.

C. Section 203 would authorize the President to establish reserves against appropriations when he determines that the purposes of the Congress can be accomplished with amounts less than those appropriated. This provision is especially necessary at this time when it is essential that every possible saving be effected in appropriations that are not directly connected with defense.

In this connection, it should be pointed out that section 1111 of the General Appropriation Act, now pending, has a similar import with broader application, and if that latter provision is approved, section 203 of this bill will be unnecessary. The committee believes, however, that the provision should be included in the Senate bill and stricken in conference if the provision in the appropriation bill is approved, since the House has already removed it.

D. Section 204 authorizes transfers of funds in connection with reorganizations within

a department or between two or more departments, but does not permit the use of funds for purposes other than those for which they were appropriated. This section is designed to transfer funds along with functions as they may be shifted by reorganizations, so that such funds may be used to carry out the functions for which they were appropriated by the Congress.

Title III of the bill includes 106 repeal provisions. Most of these were enacted before the Budget and Accounting Act of 1921, and are obsolete as to their operations either under that act or by subsequent legislation. Their repeal at this time is recommended by the committee in order to clarify existing law and to insure uniform treatment of budget estimates by all Federal agencies.

The statutes repealed in this section have been studied carefully by the staff of the committee, the Senate legislative counsel, and the agencies which participated in the development of the program effectuated under this bill, and there is unanimous agreement that these statutes are unnecessary under the procedure provided in the bill, and should be repealed.

In conclusion, I wish to associate myself with the Comptroller General of the United States, the Secretary of the Treasury, and the Director of the Bureau of the Budget in the view that this legislation provides the Congress with an opportunity to streamline and modernize our budgeting and accounting procedures, and to permit of better evaluation and appraisal of the budgetary programs on which Members of Congress are required to act.

S. 3850—EFFECT OF TABER AMENDMENTS

Certain of the provisions of S. 3850 with respect to budgeting are designed to carry out recommendations of the Hoover Commission. These provisions also were carried in the companion bill (H. R. 9038) which was reported to the House. However, on the floor of the House certain amendments were introduced on behalf of the committee, but at the instance of the ranking minority member of the House Committee on Appropriations. The effect of these amendments is described below.

PERFORMANCE BUDGET

Section 102 (a) would amend section 201 of the Budget and Accounting Act by requiring that the budgets set forth "(a) functions and activities of the Government, constituting a performance budget." One of the amendments referred to above struck the words "constituting a performance budget."

The requirement that the budget set forth the functions and activities of the Government, in order to constitute a performance budget, is one of the principal features of the budgeting portion of the bill. This provision gives statutory effect to the initial recommendation of the Hoover Commission's report on budgeting and accounting—a requirement designed to provide a budget that will give more comprehensive information to the President, the Congress, and the general public, and that will help the Congress to look at the budget and know what the Government is doing, how much it is doing, and what the costs are.

This recommendation of the Hoover Commission has the support of the President, and he has already taken initial steps in his 1951 budget to present appropriation requests on a performance basis. It has been endorsed without exception by 21 departments and agencies in their letters to the Senate Expenditures Committee commenting on the budgeting and accounting recommendations of the Hoover Commission. The Congress has already enacted law which requires that the budget estimates of the Department of Defense be presented on a performance basis.

This bill would extend the requirement to all other agencies.

The performance budget is essential to sound congressional action on appropriation requests and will sharpen congressional control of appropriations. It will focus congressional attention on the general character and relative importance of the work to be done and upon the service to be rendered. This does not mean that Congress should not examine carefully how much personal services, supplies, and equipment are needed, but emphasizes that Congress wants to know what work or service is to be accomplished and what that work or service will cost. It will go far toward answering questions that many Members of Congress frequently ask with regard to the costs of specific programs—questions that have not been answered in many prior budgets.

The House amendment would not prevent the submission of a performance budget. That can be done, and was done for the fiscal year 1951, under existing law. The House amendment does however, leave the submission of a performance budget an optional matter with the President. One of the purposes of S. 3850 is to make the performance budget mandatory.

SEGREGATION OF OPERATING AND CAPITAL PROGRAMS

Section 102 (a) of S. 3850 would also amend section 201 of the Budget and Accounting Act to require "(b) a segregation of operating, and of capital and investment programs." Another of the House amendments would strike out this provision, which was one of the significant recommendations of the Hoover Commission for improved budgeting.

Again this is a requirement designed to improve congressional examination of budget requests. As the Hoover Commission has pointed out, these two types of expenditures are essentially different in character. Because of this difference, they often need to be looked at by the Congress in different ways. Budget requests for many capital projects, for example, provide funds for only the initial work needed to get them under way, and succeeding budgets include larger amounts for their completion. Unless these kinds of programs are set forth separately, the Congress may not be fully aware of future cost commitments that it may be encouraging. This is not good business on the part of the Federal Government. This provision, too, is one which extends to the rest of the Government statutory requirements already enacted with regard to the budget of the Department of Defense.

The House amendment would not preclude the segregation of operating and of capital and investment programs in the budget. However, it would leave such a segregation to the option of the President, whereas the intent of S. 3850 is to make such a segregation mandatory.

DETAILED INFORMATION ON PERSONAL SERVICES

Both S. 3850 and H. R. 9038, as passed by the House, in subsection 301 (1) would repeal section 10 of the act of August 1, 1914 (31 U. S. C. 582). That act required submission of certain detailed information on personal services and other objects of expenditure. However, one of the House amendments mentioned above would add to the bill a requirement that the budget be accompanied by similar information with respect to these items in the same manner as in the budget for the fiscal year 1950.

There can be no disagreement on the need for careful scrutiny by the Congress of the number of employees needed to carry on agency programs. The Hoover Commission has indicated, however, that information on personal services and other objects of expenditure is not needed in detail in order to examine appropriation requests. In addition, the Commission has pointed out a fact well known to Members of the Congress,

namely, that the budget document has grown larger and larger in size without providing an understandable and workable financial plan for Government expenditures. It has been the great mass of detail presented with the budget estimates, comprised in large part of detailed lists of positions and salaries, that has drawn attention away from the primary purpose of the budget document—which is to show performance in terms of work and services and their costs.

It has been an objective of S. 3850 to stress the primary purposes of the budget as identified by the Hoover Commission, because it was felt that the main attention of the Congress should be directed to the need for services and programs, to program objectives and workload, and to costs of performance. The bill has also envisioned the elimination from the budget document of detailed information not directly associated with the budget's main purpose. The bill does not, however, preclude inclusion in the budget document of summary information on positions, salaries, and other objects of expenditure as presented in the 1951 budget—information which is useful to congressional review and control of the Federal budget.

S. 3850, SECTION 104—GOVERNMENT STATISTICAL ACTIVITIES

Section 104 of S. 3850 is very important for the improvement of a basic Government activity—the gathering and publication of statistics. The Hoover Commission appointed a special task force to study the activities of Federal statistical agencies. After consideration of that task-force report, the Commission stated in its own report:

"The statistical research and publications are the very basis of public administration and are essential to study and understanding of economic and social life."

The Commission also pointed out in its report on Government statistical activities that innumerable private and public decisions every day are based upon statistical data.

Because of the importance of accurate statistical data as a basis for informed policy decisions, because of the need for accurate and prompt measurements of employment, production and purchasing power, and because of the deficiencies and defects existing in our present statistical system, the Commission recommended that the authorities of the Division of Statistical Standards in the Bureau of the Budget, subject to the approval of the President, be strengthened to enable it to effect improvements in statistical activities. This recommendation is carried out in section 104 of S. 3850, which provides that the President, through the Director of the Bureau of the Budget, is authorized and directed to develop programs and to issue regulations and orders for the improved gathering, compiling, analyzing, publishing, and disseminating of statistical information for any purpose by the various agencies in the executive branch of the Government.

The statistical services of our Federal Government are necessarily decentralized. Much important statistical information is obtained as a byproduct of the regular operating functions of such agencies as the Social Security Administration, the Interstate Commerce Commission, or the Bureau of Mines. In every case the responsibility for collection and analysis of important facts bearing on our national well-being must be assigned to the agency best equipped to carry on that work most efficiently. For this reason we must have a strong central coordinating unit, familiar with the operations and needs of all agencies and able to supply competent management and direction of the Government's widely dispersed statistical activities. Without such central direction we cannot escape inefficiencies, duplication, and waste. That direction is provided for by section 104,

which would place in the Executive Office of the President a responsibility for directing the processing of statistics which is similar to the responsibility it now has for the gathering of statistics under the Federal Reports Act of 1942.

S. 3850, SECTION 105—IMPROVING ADMINISTRATION

Section 105 of the bill would authorize and direct the President, acting through the Director of the Bureau of the Budget, to develop improved plans for the organization, coordination, and management of the executive branch of the Government with a view to efficient and economical service.

This section emphasizes the concern of the Congress with the achievement and maintenance of the most advantageous organization and management of executive branch affairs. Consistent with the recommendations of the Commission on Organization of the Executive Branch, the provisions of section 105 of the bill would reiterate and restate the responsibilities of the Bureau of the Budget with respect to the promotion of efficient organization and administration throughout the executive branch of the Government.

The Congress has consistently recognized the necessity for, and the importance of, proper executive organization. In recent years it has done so through the creation of the Commission on Organization of the Executive Branch of the Government and through the subsequent making of notable reorganizations, both by legislation and by reorganization plan. In the enactment of the Budget and Accounting Act of 1921 the Congress directed that necessary studies should be made for the purpose of securing greater economy and efficiency in the conduct of the public service.

The provisions of section 105 will not derogate from the functions with respect to the organization and management of the executive branch of the Government now vested in the Bureau of the Budget and the President by the provisions of that act.

I think it may properly be said that there is great public concern that governmental affairs be conducted efficiently. This concern undoubtedly comes about in part through the increased understanding afforded citizens by the explorations and reports and recommendations of the Commission on the Organization of the Executive Branch of the Government. However, this concern may spring even more directly from the increased interest on the part of citizens about their Government which is occasioned by the current high level of Federal expenditures.

Proper executive organization is not a static phenomenon. New programs are instituted from time to time; others are dropped; and still others are enlarged or diminished or undergo a shift in emphasis. These developments, among others, necessitate continuous adjustments in the organization of the executive agencies, and such adjustments in turn require a careful and competent prior review of the necessary administrative organization. Thus, valuable as may be an appraisal such as that recently made by the Commission on Organization of the Executive Branch of the Government, the fact remains that the achievement of best Federal organization is a never-ending task.

Section 105 essentially reemphasizes that necessary attention is to be devoted to achieving for the Government—on a continuing basis—organizational arrangements of its executive affairs which will be most conducive to efficient and economical service.

SIMPLIFICATION AND PROCEDURAL CHANGES

This bill provides a foundation for effecting simplifications in the Government's accounting and auditing processes. This will be consistent with continuity in the mainte-

nance of proper control over the expenditure of public funds during the transitional process. In a going concern of the size and complexity of the Federal Government it is of the highest importance that changes in accounting systems and procedures be made on an orderly transitional basis. The existing machinery has to be kept working to handle the day-to-day business under proper control, while the changes are being made.

The process of simplification, modernizing and elimination of duplication and overlapping will, under this bill, be based on (1) establishing sound accounting at the site of operations in each agency, and (2) utilizing the accounting and internal controls thus established in lieu of a multitude of overlapping and duplicating central accounting and control processes requiring the submission of documents and reports by the various agencies to Washington and other central points.

Under this approach to the problem the Comptroller General can make certain that appropriate controls are provided in the agencies and on that basis can discontinue the maintenance of certain control accounts and related processes in his office in Washington. Where proper accounting and related control procedures are established in the agencies in the first instance, and where these are subject to regular audit on the spot, these central controls may serve no useful purpose and cause only additional paper work on the part of both the agency and the General Accounting Office. It is, however, important that they be eliminated only on the basis of determination that, in the light of the kind of accounting procedures established in the agencies, and the provisions made for audit of their accounts, the central controls are not necessary to preserve appropriate congressional control over expenditures. Therefore, the elimination of these central controls is made discretionary with the Comptroller General so that it can be done without jeopardizing the integrity of the control which he now exercises on behalf of the Congress.

Much the same approach needs to be followed in connection with the permissive authorization given to the Secretary of the Treasury and the Comptroller General for modification of procedures presently covered by the statutory requirements for issuance and countersignature of warrants. Where effective accounting and control procedures are established in the agencies these requirements may be a completely overlapping and duplicating mechanism productive of a great deal of paper work, red tape and delays in the handling of financial transactions. It cannot, however, be swept out on a Government-wide basis overnight. It must be done gradually and to a very considerable extent be correlated with determinations that effective accounting and control procedures are actually established in the agency, that they are properly tied in with the appropriation accounts of the Treasury, and that adequate provision is made for on-the-spot audit in both the agencies and the Treasury.

The bill also authorizes considerable in the way of simplification of internal procedures within each agency. Under the present rigid requirements for administrative examination of fiscal officers' accounts, the head of each agency is required to examine all vouchers in Washington after they have been paid in the field and before they are sent to the General Accounting Office for audit. This is an outmoded requirement which is not at all suited to the present high degree of decentralization of operations in the field. Effective procedures for internal control of decentralized operations can be and have been set up without requiring the sending of all paid vouchers into Washington. In many agencies compliance with this outmoded requirement is a mere formality which is wasteful and ineffective. The bill will pro-

vide authorization for the head of the department to determine the place where the administrative examination of paid vouchers can most effectively be done. Moreover, he can under this bill, with the concurrence of the Comptroller General, eliminate the administrative examination of vouchers after payment entirely. In many cases, particularly where there is an effective internal administrative audit prior to payment (as there should be), coupled with appropriate provision for internal supervision and policing of procedures, an administrative examination of vouchers after payment is completely unnecessary and wasteful. The head of the agency, upon review of the situation by the Comptroller General, can under this bill eliminate such procedures entirely under appropriate circumstances.

Taken as a whole the provisions of the bill should provide for a continuing and accelerated process of simplification, modernization, and elimination of overlapping and unnecessary red tape. It would, however, be premature to estimate such savings in dollars and cents. There will unquestionably be significant savings. Of equal importance is the fact that the conduct of the Government's fiscal affairs will be expedited and that there will be prompt information available as to the results of financial operations and the manner in which the Government's funds have been spent. Some of the savings will undoubtedly be offset in some degree by the necessity for developing certain phases of accounting in the Government which have heretofore received inadequate attention. These include provision for reporting accounting results from agencies to the Treasury for the preparation of over-all Government reports, the proper development of property accounting, and development of better information on actual costs of conducting various activities. The General Accounting Office will, to an increasing extent, move its audit to the field and will undoubtedly realize some economies by being able in this way to take advantage of the type of control exercised by the agency. It will be able to do its job to an increasing extent by the use of test checks and sampling to determine the effectiveness of the agency's own controls and administrative observance of statutory requirements without making complete checks of all transactions except in those cases where its tests indicate that to be necessary.

Many simplifications along these lines have already been started under the joint accounting program within the framework of present law. The allocations of responsibility and the authorizations to change procedures contained in this bill will make it possible to round these out to their logical conclusion. This bill thus provides a solid foundation for an orderly process of simplification, modernization and better accounting and auditing.

WHY IS THE AUTHORITY TO CHANGE WARRANT PROCEDURES NEEDED?

This bill, S. 3850, provides a complete framework for bringing the accounting and auditing procedures of the Government up to date. It will enable the Comptroller General, the Secretary of the Treasury, and the heads of agencies, working together, to accomplish major simplifications in fiscal procedures and at the same time establish a more effective control over funds and obligations.

One important phase of the present system which can and will be modernized is the warrant procedure, required by various statutes. Under this procedure, when the Congress makes an appropriation the Treasury Department prepares an appropriation warrant which must be forwarded to the Comptroller General for examination and countersignature. After countersignature by the Comptroller General the warrant is returned

to the Treasury when one copy is then sent to the agency. Upon receipt of the copy of the warrant the agency then prepares a requisition and accountable warrant and forwards it to the Treasury for examination, recording, and submission to the General Accounting Office for countersignature. Upon return of this requisition and accountable warrant to the Treasury by the General Accounting Office, duly countersigned, the funds finally are placed to the credit of a disbursing officer.

A good example of this cumbersome procedure is found in the disbursement of trust-fund collections. Take a situation where an agency of the Government doing business in one of the States, say, Idaho, makes a trust-fund collection which, under the law it is allowed to spend. Is this agency authorized to proceed and disburse these funds? Oh, no, the warrant procedure prescribed by the Congress many years ago dictates many steps which must be taken before these funds may be used. First, the agency must transmit the collection to a regional disbursing officer for the State who deposits it in the local Federal Reserve bank. The certificate of deposit is forwarded to the Treasury Department in Washington where a "covering warrant" is prepared. This covering warrant is forwarded to the General Accounting Office for examination and countersignature and returned to the Treasury where it is credited to a trust fund receipt account. Then the Treasury prepares an appropriation warrant and sends it to the General Accounting Office for examination and countersignature. After countersignature the warrant is returned to the Treasury, recorded, and a copy furnished the agency. Now can the agency go ahead and spend this money? Not yet. There is still some red tape to go through. The agency must prepare a requisition and accountable warrant and forward it to the Treasury in Washington for examination and forwarding to the General Accounting Office. The General Accounting Office then examines and countersigns the warrant and returns it to the Treasury, where eventually funds are placed to the credit of the Chief Disbursing Officer. But disbursement of the funds still is not authorized. The Chief Disbursing Officer must then transfer these funds back to the Regional Disbursing Officer who made the original deposit. Then and not until then can disbursement of the funds be initiated. This is the procedure which must be followed because Congress, over the years, has written all those gory details into various laws.

Let me cite you another example. This is an actual instance which has been brought to my attention:

The Alaska Railroad Company has the authority to operate, in part, from certain receipts it collects which are appropriated by the Congress for that purpose. On June 20 a representative of the Alaska Railroad Company informed the Treasury Department that the Company was confronted with a serious situation in meeting payment of its current obligations. This was because the balance available on the Treasury's books was then insufficient to pass a requisition for disbursing funds in the necessary amount—this, mind you, in spite of the fact that the Company had deposited on June 7 in Alaska a collection of \$1,000,000 for credit to its account. At that time the Alaska Railroad Company was indebted to the General Services Administration for over half a million dollars and that Administration was pressing for payment. In addition, construction work was going on which required substantial current payments to contractors. Finally the Company was concerned about the possibility of not having its cash collections made available promptly for the purpose of meeting its payrolls during the remainder of June. The Treasury Department and the General Accounting Office cooperated fully

with the Alaska Railroad Company in getting the million-dollar collection made available as promptly as possible. Moreover, special arrangements were made to insure that all collections deposited by the Alaska Railroad Company for the balance of the month would be handled as promptly as possible under the existing procedure.

There is nothing wrong here with the authority to spend this money or with the efficiency of the Alaska Railroad Company, the depository system, the Treasury Department, and the General Accounting Office. The fault lies with the archaic and cumbersome procedure which must be followed without any option even though the result may be the impairment of the Government's business.

These are just samples of some of the present requirements that the Comptroller General and the Secretary of the Treasury, under this bill, are given the authority to change, when and if they determine that these present cumbersome procedures can be simplified, and in some cases eliminated, without sacrificing necessary safeguards.

S. 3850, SECTION 201—TRANSFERS BETWEEN APPROPRIATIONS

Section 201 permits transfers between appropriations of a department, with the approval of the President, up to a limit of 5 percent of the amount of any appropriation.

At the present time, due to unforeseen circumstances, such as a rise in prices on some commodity it needs, an agency may run a little short in one appropriation. It must then come to Congress and ask for a supplemental appropriation. It may be that a supplemental appropriation would not be necessary; if it could do so, the agency might be able to save enough somewhere else (in another appropriation) to meet the higher costs it faces in the first appropriation. If this flexibility up to 5 percent is granted, supplemental appropriations under these circumstances could often be avoided. Agencies could properly be expected to absorb the cost of small over-runs by economizing elsewhere and transferring the money to the place where it is needed. (Of course, this will not avoid supplementals due to new legislation or major changes in the Government's program such as the situation in Korea has brought about for the Department of Defense.)

In order to avoid abuses, section 201 provides that the transfers cannot be between departments, they must not increase or decrease an appropriation by more than 5 percent in any 1 year, they must be approved by the President, and they must be reported currently (not a year later) to the Congress. The reasons for the transfers must be set forth in the reports to Congress, and the transfers must be summarized annually in the budget.

With these safeguards, the probability that this provision will substantially decrease the number of supplemental and deficiency appropriations seems sufficient justification for its enactment.

S. 3850, TITLE III—REPEALS

Title III of S. 3850 would specifically repeal 106 provisions of law which are either obsolete or unnecessary under present budgetary practice.

The Budget and Accounting Act contained no specific repeals. Thus, many provisions of law with respect to the submission of estimates which were in force when that act was passed in 1921 are still carried in the United States Code, although they were in fact superseded by that act. With respect to these provisions, title III is an attempt to bring the code into line with existing law as affected by the Budget and Accounting Act.

Eighty-nine of the laws to be repealed are either inconsistent with or superseded by the Budget and Accounting Act or other existing law. For example, the act of August 26, 1912, requires the submission of detailed estimates with respect to the cost of laundering paper money. Subsection 301 (6) of the bill would eliminate this requirement, thus leaving the estimates for such expenses to be handled under the general provisions of the Budget and Accounting Act in the same manner as estimates of proposed appropriations for other expenses of the Government.

Similarly, many statutes are still carried in the code requiring specific information with respect to the precise salaries paid to various classes of employees. The act of June 28, 1902, requiring notes as to the rate of compensation paid to each employee of the Lighthouse Establishment to be included in the budget, is an example of such a provision. Subsection 301 (55) would repeal this requirement, which is obviously unnecessary since salaries of all employees are fixed by general laws, such as the Classification Act of 1949 and other similar statutes covering various groups of employees.

The United States Code still carries various provisions of law requiring detailed estimates for certain objects of expenditure. For example, the act of July 1, 1882, required the Secretary of State to submit annual estimates for the expenses of the diplomatic and consular service, "including all commercial agents and other officers, whether paid by fees or otherwise, specifying the compensation to be allowed or deemed to be advisable in each individual case." A 1905 statute requires the Secretary of State, in submitting estimates for the consular service, to segregate and submit separately the estimates for rent of consular offices. See subsections (37) and (38) of section 301. Such detailed estimates obviously cannot be included in a budget covering expenses of a government of the size of our Government at the present time. The general requirements of the Budget and Accounting Act govern the submission of all estimates and the repeal of these provisions will clarify the law on such points.

Thirteen of the repeal statutes contain specific directions with respect to the use of appropriations which are mentioned by titles in the statutes themselves. For example, the act of March 2, 1907, provides that the appropriations "Ordnance-stores ammunition," "Small-arms target practice," and "Ordnance stores and supplies" shall be available for 2 years to procure the stores authorized under those appropriations. See subsection (71) of section 301. This act is completely meaningless at the present time because the appropriation act no longer carries appropriations under the quoted titles. Furthermore, if specific provisions are necessary with respect to particular appropriations, they should be made in the appropriation acts each year rather than in permanent law.

Several of the provisions which would be repealed require reports to Congress which are of no value at the present time. An act of March 3, 1875, requires that extracts from the annual reports of departments and bureaus with respect to appropriations be included in the budget. Nothing of any value is obtained under this provision since the Budget and Accounting Act provides for inclusion in the budget of all information which is necessary in consideration of the estimates. This provision would be repealed by subsection 301 (86).

As I have already indicated, many of these statutes which are being specifically repealed in title III of this bill have already been repealed by the Budget and Accounting Act or other general laws. The specific repeal of

these items will serve to remove them from the United States Code and eliminate the confusion which has obtained in the past because these provisions contain specific requirements which are inconsistent with the general requirements of the Budget and Accounting Act.

Mr. McCLELLAN. I understand an amendment or two will be offered by the senior Senator from Virginia [Mr. BYRD].

The VICE PRESIDENT. Without objection, the House bill will be taken up for consideration instead of the Senate bill.

Mr. McCLELLAN. I should like to ask that the Senate bill be amended, because I shall later ask to substitute the language of the Senate bill, as it will be amended, for the House bill, so that the amendments may go to conference.

The VICE PRESIDENT. Senate bill 3850 is now under consideration.

Mr. BYRD. Mr. President, I desire to offer an amendment on page 2, line 3, after the word "appropriations" to strike out the period and insert a comma and the words "or any other authority making funds available for obligation or expenditure."

The VICE PRESIDENT. Will the Senator send the amendment to the desk?

Mr. BYRD. I offer the amendment, Mr. President, because the language at the top of page 2 is not all-inclusive as to defining the term "appropriation."

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 3, it is proposed to change the period to a comma and insert "or any other authority making funds available for obligation or expenditure."

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Virginia.

Mr. McCLELLAN. Mr. President, the Senator from Virginia has conferred with me about the amendment, and I may say that I think the amendment is very desirable. It is actually a strengthening amendment, and makes certain that the language in this provision of the bill is all-inclusive. That is what we intended, and I think the amendment strengthens the language of the bill. I am very glad to accept the amendment, so far as the committee is concerned.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Virginia [Mr. BYRD].

The amendment was agreed to.

Mr. BYRD. I offer another amendment on page 2, to strike out lines 15 and 16, the language of which is "a segregation of operating, and of capital and investment programs."

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 15, it is proposed to strike out "(b) a segregation of operating, and of capital and investment programs."

The VICE PRESIDENT. The Chair would suggest to the Senator from Arkansas that the action proposed has

been taken in connection with the House bill.

Mr. McCLELLAN. The amendment has been adopted in connection with the House bill.

The VICE PRESIDENT. Yes; the same action has been taken in connection with the House bill.

Mr. McCLELLAN. There are amendments in the House bill, however, that the Senator from Arkansas does not want to agree to. Therefore, I feel the bill will have to go to conference.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Virginia [Mr. BYRD].

The amendment was agreed to.

Mr. McCLELLAN. Mr. President, I ask that the paragraph be relettered as made necessary by the striking out of paragraph (b).

The VICE PRESIDENT. Without objection, the section numbers will be changed.

Mr. McCLELLAN. Mr. President, I now ask that the Senate proceed to consider House bill 9038, Calendar No. 2174, and that all after the enacting clause be stricken, and that the language of the Senate bill, as amended, be substituted for the language of the House bill.

The VICE PRESIDENT. Is there objection to the present consideration of the House bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 9038) to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes.

Mr. McCLELLAN. I now offer an amendment to strike out all after the enacting clause in the House bill, and to insert in lieu thereof the language of the Senate bill, as amended.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Arkansas.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 9038) was read the third time and passed.

The VICE PRESIDENT. Without objection, Senate bill 3850 is indefinitely postponed.

Mr. McCLELLAN. Mr. President, I move that the Senate insist on its amendments, ask a conference with the House thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to, and the Vice President appointed Mr. McCLELLAN, Mr. HOEY, Mr. O'CONOR, Mr. MCCARTHY, and Mr. MUNDT conferees on the part of the Senate.

RESOLUTION AND BILL PASSED OVER

The resolution (S. Res. 291) to investigate the causes of gasoline price increases during the past 5 years and whether supplemental antitrust legislation is needed, was announced as next in order.

Mr. THOMAS of Oklahoma. Over.

The VICE PRESIDENT. The resolution will be passed over.

The bill (H. R. 7722) to provide for the acquisition and preservation as a part of the National Capital Parks system, of the Old Stone House in the District of Columbia, was announced as next in order.

Mr. HOLLAND. Mr. President, I ask that that bill go to the foot of the calendar, to be considered later.

The VICE PRESIDENT. Without objection, the bill will go to the foot of the calendar.

AMENDMENT OF FEDERAL-AID ROAD ACT—CONSTRUCTION OF HIGHWAYS

The bill (H. R. 7941) to amend and supplement the Federal Aid Road Act, approved July 11, 1916 (39 Stat. 355), as amended and supplemented, to authorize appropriations for continuing the construction of highways, and for other purposes, was announced as next in order.

Mr. LODGE. I ask that the bill be passed over.

The VICE PRESIDENT. The bill will be passed over.

Mr. McCLELLAN subsequently said: Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Arkansas will state it.

Mr. McCLELLAN. I should like to inquire in regard to the action taken on Calendar No. 2048, House bill 7941.

The VICE PRESIDENT. The Senator from Massachusetts [Mr. LODGE] objected, and the bill went over.

Mr. McCLELLAN. I should like to inquire of the able majority leader whether the policy committee has yet taken any action with reference to insuring that House bill 7941 will be brought up at this session.

Mr. LUCAS. In reply to the Senator from Arkansas, let me say that it will be considered by the Senate before we adjourn or take a recess.

Mr. LODGE. Mr. President, will the Senator speak a little louder, please. I could not hear what he said.

Mr. LUCAS. In reply to the Senator from Arkansas, I said that this bill will be considered by the Senate before we take a recess or an adjournment.

Mr. McCLELLAN. I thank the Senator.

AMENDMENT OF THE HATCH ACT

The bill (S. 3873) to amend the Hatch Act was announced as next in order.

Mr. HENDRICKSON. I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

Mr. TYDINGS. Mr. President, will the Senator withhold his objection?

Mr. HENDRICKSON. Yes.

Mr. TYDINGS. The President vetoed the original bill. Does the Senator know that the present bill has been brought in line with the objections the President made, so that the bill simply permits Federal employees to take part in city and town and local elections?

Mr. HENDRICKSON. Yes, I understand that, but that does not remove the grounds for my objection.

The VICE PRESIDENT. The Senator from New Jersey objects and the bill will be passed over.

FORMER SHAREHOLDERS OF GOSHEN VENEER CO.

The Senate proceeded to consider the bill (S. 410) for the relief of the former shareholders of the Goshen Veneer Co., an Indiana corporation, which had been reported from the Committee on the Judiciary with amendments on page 1, line 5, after the word "of", to strike out "\$87,300.37" and insert "\$87,233.93"; in line 6, after the word "of", to strike out "\$15,405.95" and insert "\$15,403.05"; in line 7, after the word "to", to insert "the estate of"; in line 8, after the word "of", to strike out "\$143,788.85" and insert "\$143,761.78"; in line 9, after the word "of", to strike out "\$56,488.48" and insert "\$56,477.84"; in line 10, after the word "of", to strike out "\$56,488.48" and insert "\$56,477.84"; in line 11, after the words "sum of", to strike out "\$154,059.48" and insert "\$154,030.48"; on page 2, line 1, after the word "shareholders", to strike out the comma and "on May 6, 1942," and insert "and debenture note holders"; and in line 6, after the word "States", to strike out "during the period May 6, 1942, to April 1944"; so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles E. Gorham the sum of \$87,233.93; to Nellie A. Gorham the sum of \$15,403.05; to the estate of Ethel B. Dow the sum of \$143,761.78; to Elizabeth Dow Snoko the sum of \$56,477.84; to Barbara H. Dow the sum of \$56,477.84; and to Dow M. Gorham the sum of \$154,030.48, in full settlement of their claims against the United States, as sole shareholders, and debenture note holders of the Goshen Veneer Co., an Indiana corporation having its principal place of business at Goshen, Ind., through (a) their surrender of de facto control of such corporation to representatives of the United States in reliance in good faith upon unfulfilled representations made by representatives of the Air Forces of the United States Army; (b) the furnishing of materials, and the fabrication and manufacture of plywood and other wood parts, by such corporation during such period for the United States and for other Government contractors engaged in the manufacture of fighting, training, and transport airplanes for use by the Army Air Forces in the prosecution of the war; and (c) the eventual loss by such shareholders of their several equities in such corporation by reason of losses sustained by it in the course of its operation during such period: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of the former shareholders and debenture-note holders of

I believe the proposed bidge would best serve the interests of both the United States and Canada and, therefore, urge favorable Senate action on this bill.

Mr. LEHMAN. Mr. President, I ask unanimous consent to have inserted in the body of the RECORD a statement prepared by me in connection with the bill just passed.

There being no objection, Mr. LEHMAN's statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR LEHMAN

The pending bill authorizes the construction of a bridge at Ogdensburg, N. Y. This bridge would be an important link between the United States and Canada at the center of the International Section of the St. Lawrence River.

This project has been planned for many years, the first commission to investigate the need for such a bridge having been appointed originally by Franklin D. Roosevelt when he was Governor of New York. It will relieve vital commercial traffic as well as expedite passenger traffic between New York State and our good neighbor to the north.

Not only the State of New York, which will finance the construction of the bridge, but our national interest will be benefited by this new link between our two great countries.

BOUNDARIES OF JOSHUA TREE NATIONAL MONUMENT, CALIF.—BILL PLACED AT FOOT OF CALENDAR

The bill (H. R. 7934) to reduce and revise the boundaries of the Joshua Tree National Monument in the State of California, and for other purposes, was announced as next in order.

The VICE PRESIDENT. Is there objection?

Mr. WILLIAMS. Over.

The VICE PRESIDENT. The Senator from Delaware objects.

Mr. O'MAHONEY. Mr. President, will the Senator withhold his objection momentarily?

Mr. WILLIAMS. I withhold the objection.

Mr. O'MAHONEY. I cannot help but believe that the objection which the Senator has is based upon a misapprehension of this measure. An area in excess of 1,000,000 acres was withdrawn from entry under the land laws of the United States, by Executive order, in 1933. Later, by Presidential order, a monument was created, covering some 838,000 acres. This area includes lands which are presently being operated for mining purposes. It includes lands which are privately owned and which should not be within the monument area. The object of this bill is merely to exclude from the monument area lands which are much more valuable for private ownership and for the development of minerals.

Mr. KNOWLAND. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from California?

Mr. O'MAHONEY. I yield.

Mr. KNOWLAND. I should like to join with the Senator from Wyoming in expressing the hope that the Senator from Delaware will at least withdraw his objection and permit a unanimous-consent request that this bill go to the foot of the calendar, so that any explanation

which the Senator desires can be made. My information is that this bill is restrictive in character, and it would seem to me that the proposed legislation is both necessary and desirable. The House Members from California believe that the bill in its present shape is highly desirable legislation.

Mr. O'MAHONEY. I might add that this bill will actually reduce the expenses of the Federal Government in maintaining the monument.

Mr. WILLIAMS. Mr. President, I have no objection to this bill going to the foot of the calendar. I recognize the merit of what the Senator from California has suggested, in that this bill is perhaps more restrictive than the manner in which this national monument has been handled heretofore. But my suspicion as to how it has been handled before and my inability to obtain any information as to the conduct of the administration heretofore, constitute my reason for objecting to this bill until I get answers to the questions.

The VICE PRESIDENT. Without objection, the bill will go to the foot of the calendar.

PORTRAIT AND BUST OF THE LATE CHIEF JUSTICE HARLAN F. STONE

The joint resolution (H. J. Res. 501) to authorize the procurement of an oil portrait and a marble bust of the late Chief Justice Harlan F. Stone was considered, ordered to a third reading, read the third time, and passed.

TRANSFER TO STATES OF REPLICAS OF STATE SEALS

The Senate proceeded to consider the bill (H. R. 8112) to provide for the transfer to the States of the replicas of the State seals removed from the chamber of the House of Representatives of the United States, which had been reported from the Committee on Rules and Administration with an amendment, on page 2, after line 15, to insert a new section, as follows:

SEC. 3. With respect to any other materials of historical interest, removed or to be removed from the Senate and House Chambers during their renovation and which are not to be reused, the Architect of the Capitol is authorized to dispose of the same in such manner as may be directed and approved by the special Senate and House Roof and Chamber Committees, appointed under Public Law 155, Seventy-ninth Congress, acting separately with regard to their respective Chambers.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

STUDIES OF ATLANTIC COAST FISH SPECIES

The Senate proceeded to consider the bill (H. R. 7209) authorizing and directing the Secretary of the Interior to undertake continuing studies of Atlantic coast fish species for the purpose of developing and protecting fish resources.

Mr. BREWSTER. Mr. President, it was understood I would offer an amendment to this bill on behalf of a Senator who otherwise intended to object. The

amendment would limit the amount that may be used.

Mr. HENDRICKSON. Mr. President, I should like to ask the Senator what the limit is.

Mr. BREWSTER. Two hundred and fifty thousand dollars.

The VICE PRESIDENT. The Senator from Maine sends to the desk an amendment, which the Clerk will state.

The LEGISLATIVE CLERK. On page 2, line 13, it is proposed to insert the following new section:

SEC. 3. There is authorized to be appropriated from time to time, out of any moneys in the Treasury not otherwise appropriated, such sums, not in excess of \$250,000 per annum, as may be necessary to carry out the purposes and objectives of this act.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

AMENDMENT TO ATLANTIC STATES MARINE FISHERIES COMPACT

The bill (H. R. 7387) granting the consent and approval of Congress to an amendment to the Atlantic States Marine Fisheries Compact, and repealing the limitation on the life of such compact, was considered, ordered to a third reading, read the third time, and passed.

TOLL ROAD THROUGH WILDLIFE REFUGE IN PRINCESS ANNE COUNTY, VA.

The bill (H. R. 7043) to provide for the granting of an easement for a public road or public toll road through the wildlife refuge located in Princess Anne County, Va., was considered, ordered to a third reading, read the third time, and passed.

FORM OF THE NATIONAL BUDGET AND OF DEPARTMENTAL ESTIMATES

The bill (H. R. 9033) to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

TARIFF-FREE IMPORTATION OF ARTICLES FOR MID-CENTURY INTERNATIONAL EXPOSITION, NEW ORLEANS

The joint resolution (H. J. Res. 489) to permit articles imported from foreign countries for the purpose of exhibition at the Mid-Century International Exposition, Inc., New Orleans, La., to be admitted without payment of tariff, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

Mr. ELLENDER. Mr. President, in connection with the joint resolution just passed, I ask unanimous consent to insert in the RECORD at this point a statement prepared by me.

There being no objection, Mr. ELLENDER's statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ELLENDER

House Joint Resolution 489 is a bill designed "To permit articles imported from foreign countries for the purpose of exhibition at the Mid-Century International Ex-

position, Inc., New Orleans, La., to be admitted without payment of tariff, and for other purposes." As such it will permit foreign exhibitors to show their goods and materials at the New Orleans exposition without having to pay customs charges. When and if the exhibits covered by this bill are withdrawn for consumption or use in the United States, the general tariff laws will, of course, become applicable.

The language of this bill parallels that of Public Law 614, Eightieth Congress, which provided for the duty-free entry of articles exhibited at the International Industrial Exposition, Atlantic City, N. J. It is similar to that of House Joint Resolution 466, adopted during the present session, which permits the same advantages in the case of the first United States International Trade Fair in Chicago.

The Department of State was requested to render an opinion on this bill, and had this to say:

"Senate bill 3685 is in accord with the United States policy of promoting international trade fairs and expositions as a means of expanding foreign trade. Accordingly, this Department favors the adoption of Senate bill 3685. * * *

Similarly, the Tariff Commission has stated:

"The proposed legislation seems to be in line with the established policy of Congress as regard treatment of imports for use in display at fairs and expositions."

And correspondence with the Treasury Department included the following:

"This Department has encountered no unusual administrative difficulties under Public Law 614, and anticipates that none will arise if the proposed legislation is enacted. This Department would, therefore, have no objection to the enactment of the proposed legislation, Senate bill 3685."

I would like to mention one final point. This bill before us contemplates no expense to the Government.

TARIFF-FREE IMPORTATION OF ARTICLES FOR INTERNATIONAL FOOD EXPOSITION, CHICAGO

The joint resolution (H. J. Res. 496) to permit articles imported from foreign countries for the purpose of exhibition at the International Food Exposition, Inc., Chicago, Ill., to be admitted without payment of tariff, and for other purposes, was considered, ordered to a third reading, a read the third time, and passed.

CONVEYANCE OF LAND IN KENNEBEC COUNTY, MAINE, TO TOWN OF CHELSEA

The bill (H. R. 8845) to provide for the conveyance of a tract of land in Kennebec County, Maine, to the town of Chelsea, was announced as next in order.

The VICE PRESIDENT. Is there objection?

Mr. SCHOEPFEL. Reserving the right to object, may we have a brief explanation of this measure?

Mr. BREWSTER. This bill relates to a small tract of 4 acres on the reservation in Kennebec County, Maine, which is to be used for the purpose of erecting a school which will primarily serve the pupils who are in attendance at the facility, there, which is a veteran's facility. The land is of very little value.

The VICE PRESIDENT. Is there objection?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

EXTENSION OF TIME WITHIN WHICH ASSESSMENT OF FEDERAL INCOME TAX MAY BE MADE

The bill (H. R. 9120) to amend section 322 (b) (3) of the Internal Revenue Code was considered, ordered to a third reading, read the third time, and passed.

EDMON BURGHER

The Senate proceeded to consider the bill (S. 2927) for the relief of Edmon Burgher, which had been reported from the Committee on Post Office and Civil Service with an amendment on page 1, line 11, after the numerals "1941", to strike out "The position and grade to which such promotion shall be made shall not be lower than that attained by the person in service on the effective date of this act who on December 7, 1941, was next below the said Edmon Burgher on his service seniority list.", so as to make the bill read:

Be it enacted, etc., That the Postmaster General shall promote Edmon Burgher, of Clay City, Ky., to a position and grade in the Postal Transportation Service having seniority, status, and pay equivalent to that which, as determined by the Postmaster General, the said Edmon Burgher would have attained had he been restored, upon his return from service in the merchant marine in October 1946, to the position and grade in the railway mail service left by him on or about December 7, 1941.

SEC. 2. The Postmaster General shall further determine, and pay to the said Edmon Burgher from any appropriation available for the payment of salaries, the difference between—

(1) the amount of compensation paid to said Edmon Burgher for the period from October 4, 1946, to the date when the promotion provided for by this act becomes effective; and

(2) the compensation which would have been payable to said Edmon Burgher for such period had he been restored on October 4, 1946, to the position and grade left by him on or about December 7, 1941, and been successively advanced to the position and grade to which promoted as provided by this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ACCUMULATION OF COMPENSATORY TIME OFF FOR SERVICES BY POSTAL EMPLOYEES PERFORMED ON SATURDAYS AND SUNDAYS

The bill (S. 3654) to amend section 3 of the Postal Salary Act of July 6, 1945, was announced as next in order.

Mr. HENDRICKSON. Reserving the right to object, I think this bill should be explained.

Mr. FREAR. Mr. President, without reading a statement I have, I shall give a short description of what the bill actually provides. A postal employee who may have a couple of hours due him would not have time to go home to lunch, but he could accumulate hours until he had sufficient time to make 1 day only, and then he would have to take his time off.

The VICE PRESIDENT. Is there objection to the consideration of the bill?

There being no objection, the bill (S. 3654) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 3 of the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation, and for other purposes," approved July 6, 1945 (59 Stat. 435), as amended, is amended to read as follows:

"SEC. 3. (a) When the needs of the service require employees to perform service on Saturdays, Sundays, or holidays, such employees shall be allowed compensatory time for such service on 1 day within five working days next succeeding the Saturday or Sunday and within 30 days next succeeding the holiday.

"(b) If the service so performed on Saturdays and Sundays is less than 8 hours, such service may, in the discretion of the Postmaster General, be carried forward and combined with similar service performed on other Saturdays and Sundays, and such employees may be allowed compensatory time for such combined service or any part thereof at any time, except that, whenever at least 8 hours of such service has been accumulated, such employees shall be allowed 8 hours compensatory time on 1 day within five working days next succeeding the Saturday or Sunday on which the total accumulated service was at least 8 hours.

"(c) The Postmaster General may, if the exigencies of the service require, authorize the payment of overtime to employees other than supervisory employees whose base salaries, exclusive of longevity salary, are more than \$4,170 per annum, for services performed on Saturdays, Sundays, and Christmas Day during the month of December, in lieu of compensatory time.

"(d) Supervisory employees shall be allowed compensatory time for services performed in excess of 8 hours per day, and those whose base salaries, exclusive of longevity salary, are more than \$4,170 per annum shall be allowed compensatory time for services performed on Saturdays, Sundays, and on Christmas Day during the month of December, within 180 days from the days such service was performed.

"(e) The provisions of this section shall not apply to employees in the Postal Transportation Service; post-office inspectors; rural carriers; traveling mechanics; examiners of equipment and supplies; clerks in third-class post office; and employees paid on an hourly basis."

EXCLUSION OF OBSCENE MATTER FROM THE MAIL

The bill (H. R. 8767) to authorize the exclusion from the mails of all obscene, lewd, lascivious, indecent, filthy or vile articles, matters, things, devices or substances, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

CONVEYANCE OF PORTION OF UNITED STATES MILITARY RESERVATION AT FORT SCHUYLER, N. Y., TO STATE OF NEW YORK

The Senate proceeded to consider the bill (H. R. 210) to authorize the conveyance of a portion of the United States military reservation at Fort Schuyler, N. Y., to the State of New York for use as a maritime school, and for other purposes, which had been reported from the Committee on Armed Services with an amendment.

Mr. IVES. Mr. President, I ask unanimous consent to have incorporated in the body of the Record a statement which I have prepared on House bill 210, and also a statement prepared by my distinguished colleague, the junior Senator

EXECUTIVE SESSION

Mr. MYERS. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. STENNIS) laid before the Senate a message from the President of the United States submitting sundry nominations, which were referred to the Committee on Labor and Public Welfare.

AGREEMENT AND PROTOCOL FOR FACILITATING INTERNATIONAL CIRCULATION OF VISUAL AND AUDITORY MATERIALS—REMOVAL OF INJUNCTION OF SECRECY

The PRESIDING OFFICER. The Chair lays before the Senate Executive V, Eighty-first Congress, second session, an agreement for facilitating the international circulation of visual and auditory materials of an educational, scientific, and cultural character, and also a certified copy of a related protocol of signature, which were open for signature at Lake Success from July 15, 1949, until December 31, 1949. Without objection, the ban of secrecy is removed from the agreement and protocol, and the agreement and protocol, together with the President's message of transmittal, will be referred to the Committee on Foreign Relations, and the President's message will be printed in the Record.

The President's message is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a certified copy of an agreement for facilitating the international circulation of visual and auditory materials of an educational, scientific, and cultural character, and also a certi-

fied copy of a related protocol of signature, which were open for signature at Lake Success from July 15, 1949, until December 31, 1949.

The purposes of the agreement are explained in the report of the Secretary of State which is transmitted herewith for the information of the Senate.

HARRY S. TRUMAN.

THE WHITE HOUSE, August 22, 1950.

(Enclosures: (1) Report of the Secretary of State; (2) certified copy of agreement for facilitating the international circulation of visual and auditory materials of an educational, scientific, and cultural character; (3) certified copy of protocol of signature.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. THOMAS of Oklahoma, from the Committee on Agriculture and Forestry:

Clarence J. McCormick, of Indiana, to be a member of the Board of Directors of the Commodity Credit Corporation, vice Albert J. Loveland, resigned.

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs:

Carlton Skinner, of Connecticut, to be Governor of Guam.

The PRESIDING OFFICER. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

ATOMIC ENERGY COMMISSION

The Chief Clerk read the nomination of Thomas Keith Glennan to be a member of the Atomic Energy Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

That completes the Executive Calendar.

RECESS

Mr. MYERS. As in legislative session, I move that the Senate take a recess until tomorrow at 12 o'clock noon.

The motion was agreed to; and (at 7 o'clock and 6 minutes p. m.) the Senate

took a recess until tomorrow, Wednesday, August 23, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 22 (legislative day of July 20), 1950:

UNITED STATES PUBLIC HEALTH SERVICE

The following named candidates for appointment in the Regular Corps of the Public Health Service:

To be senior assistant surgeons (equivalent to the Army rank of captain), effective date of acceptance

| | |
|------------------------|------------------------|
| Egar A. Hawk | Paul M. Duffy |
| Clyde H. Steffee, Jr. | George F. Cameron, Jr. |
| Thomas J. Kennedy, Jr. | William van Herick |
| Paul H. Ohliger | Robert C. Jackson |
| Marvin Lillian | Everett C. Sutter |
| Charles F. Naegle | H. Wayne Glotfelty |

To be assistant surgeons (equivalent to the Army rank of first lieutenant), effective date of acceptance

| | |
|------------------|------------------------|
| Donald E. Love | Byron C. Hollenback |
| Robert N. Philip | John D. Goss, Jr. |
| Ira L. Myers | Harry F. Brumbach, Jr. |

To be senior assistant dental surgeons (equivalent to the Army rank of captain), effective date of acceptance

| | |
|---------------------------|--------------------|
| Robert C. Likins | Oswald Spence |
| Quentin M. Smith | Fredric A. Ledward |
| Robert W. Bonds | Hubert Fields, Jr. |
| Charles G. Sleichter, Jr. | John W. Heck |
| | Harry V. Torg |

To be assistant dental surgeons (equivalent to the Army rank of first lieutenant), effective date of acceptance

| | |
|--------------------------|------------------------|
| Richard L. Hayes | Harold R. Stanley, Jr. |
| Paul C. Reid | Norman W. Littleton |
| William D. Sterrett, Jr. | Viron L. Diefenbach |
| Dorrance I. Anderson | James E. Kelly |

CONFIRMATION

Executive nomination confirmed by the Senate August 22 (legislative day of July 20), 1950:

ATOMIC ENERGY COMMISSION

Thomas Keith Glennan to be a member of the Atomic Energy Commission for the term of 5 years, expiring June 30, 1955.

House of Representatives

TUESDAY, AUGUST 22, 1950

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou divine spirit, who alone canst lead forlorn and faltering humanity out of dark and devious ways into the radiant paths of a brighter and better day, Thou knowest the deepest yearnings of our hearts.

We pray that we may look upwardly unto Thee, placing our hands in Thine and heeding Thy voice as Thou dost say, "This is the way, walk ye therein."

Grant that the chosen representatives of our beloved country may be blessed with clear minds and courageous hearts. We pray that, as leaders in a Christian nation, they may be fearless in meeting the demands of the most difficult problems and decisions with the claims and the confidence of the spirit of the Prince of Peace.

Hear us in His name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 250. Concurrent resolution for the correction of the enrollment of the bill (H. R. 2854) for the relief of Wade H. Noland.

The message also announced that the Senate had ordered that the Senator from Wisconsin, Mr. McCARTHY, be excused as conferee on the bill H. R. 9038, "An act to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes," and the Senator from Kansas, Mr. SCHOEPPFEL, be appointed in his stead.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 9176. An act to establish a system of priorities and allocations for materials and facilities, authorize the requisitioning thereof, provide financial assistance for expansion of productive capacity and supply, strengthen controls over credit, regulate speculation on commodity exchanges, and by these measures facilitate the production of goods and services necessary for the national security, and for other purposes.

The message also announced that the Senate insists upon its amendment to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAYBANK, Mr. TAYLOR, Mr. FUL-

BRIGHT, Mr. ROBERTSON, Mr. SPARKMAN, Mr. TOBEY, Mr. CAPEHART, Mr. FLANDERS, and Mr. BRICKER to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 8594. An act to provide for the acquisition, construction, expansion, rehabilitation, conversion, and joint utilization of facilities necessary for the administration and training of units of the Reserve components of the Armed Forces of the United States, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BYRD, Mr. HUNT, and Mr. SALTONSTALL to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 3934) entitled "An act to amend the act of May 13, 1924 (43 Stat. 118), as amended, relating to the United States-Mexican boundary," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CONNALLY, Mr. THOMAS of Utah, Mr. FULBRIGHT, Mr. SMITH of New Jersey, and Mr. LODGE to be the conferees on the part of the Senate.

NATIONAL BUDGET AND GOVERNMENTAL ACCOUNTING AND AUDITING PROCEDURES

Mr. DAWSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 9038) to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes, with an amendment of the Senate thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Illinois? [After a pause.] The Chair hears none, and appoints the following conferees: MESSRS. DAWSON, HOLIFIELD, KARSTEN, RICH, and LOVRE.

DEFENSE PRODUCTION ACT OF 1950

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 9176) to establish a system of priorities and allocations for materials and facilities, authorize the requisitioning thereof, provide financial assistance for expansion of productive capacity and supply, strengthen controls over credit, regulate

speculation on commodity exchanges, and by these measures facilitate the production of goods and services necessary for the national security, and for other purposes, with an amendment of the Senate thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none, and appoints the following conferees: MESSRS. SPENCE, BROWN of Georgia, PATMAN, MONRONEY, WOLCOTT, GAMBLE, and KUNKEL.

ANNOUNCEMENT

The SPEAKER. The Chair will recognize Members for unanimous-consent requests to extend their remarks, but in view of the legislative program before the House, the Chair trusts Members will not ask to address the House for 1 minute.

WAR RISK AND MARINE AND LIABILITY INSURANCE

Mr. HART. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2484) to authorize the Secretary of Commerce to provide war risk and certain marine and liability insurance.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Merchant Marine Act, 1936, as amended, is amended by adding thereto a new title to read as follows:

"TITLE XII—WAR RISK INSURANCE"

"SEC. 1201. As used in this title—

"(a) The term 'American vessels' includes any vessel registered, enrolled, or licensed under the laws of the United States and any undocumented vessel owned or chartered by or made available to the United States or any department or agency thereof and any tug or barge or other watercraft (documented or undocumented) owned by a citizen of the United States used in essential water transportation or in the fishing trade or industry, except watercraft used exclusively in or for sport fishing.

"(b) The term 'transportation in the water-borne commerce of the United States' includes the operation of vessels in the fishing trade or industry, except watercraft used exclusively in or for sport fishing.

"(c) The term 'war risks' includes to such extent as the Secretary may determine all or any part of those losses which are excluded from marine insurance coverage under a 'free of capture and seizure' clause, or analogous clauses.

"(d) The term 'citizen of the United States' includes corporations, partnerships, and associations existing, authorized, or organized under the laws of the United States, or any State, district, Territory, or possession thereof.

BUDGET AND ACCOUNTING PROCEDURES ACT OF 1950

AUGUST 25, 1950.—Ordered to be printed

Mr. DAWSON, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 9038]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9038) entitled "An act to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *That this Act may be cited as the "Budget and Accounting Procedures Act of 1950"*.

TITLE I—BUDGETING AND ACCOUNTING

PART I—BUDGETING

SEC. 101. Section 2 of the Budget and Accounting Act, 1921 (42 Stat. 20), is amended by adding at the end thereof the following:

"The term 'appropriations' includes, in appropriate context, funds and authorizations to create obligations by contract in advance of appropriations, or any other authority making funds available for obligation or expenditure."

SEC. 102. (a) Section 201 of such Act is amended to read as follows:

"SEC. 201. The President shall transmit to Congress during the first fifteen days of each regular session, the Budget, which shall set forth his Budget message, summary data and text, and supporting detail. The

Budget shall set forth in such form and detail as the President may determine—

- “(a) functions and activities of the Government;*
- “(b) any other desirable classifications of data;*
- “(c) a reconciliation of the summary data on expenditures with proposed appropriations;*
- “(d) estimated expenditures and proposed appropriations necessary in his judgment for the support of the Government for the ensuing fiscal year, except that estimated expenditures and proposed appropriations for such year for the legislative branch of the Government and the Supreme Court of the United States shall be transmitted to the President on or before October 15 of each year, and shall be included by him in the Budget without revision;*
- “(e) estimated receipts of the Government during the ensuing fiscal year, under (1) laws existing at the time the Budget is transmitted and also (2) under the revenue proposals, if any, contained in the Budget;*
- “(f) actual appropriations, expenditures, and receipts of the Government during the last completed fiscal year;*
- “(g) estimated expenditures and receipts, and actual or proposed appropriations of the Government during the fiscal year in progress;*
- “(h) balanced statements of (1) the condition of the Treasury at the end of the last completed fiscal year, (2) the estimated condition of the Treasury at the end of the fiscal year in progress, and (3) the estimated condition of the Treasury at the end of the ensuing fiscal year if the financial proposals contained in the Budget are adopted;*
- “(i) all essential facts regarding the bonded and other indebtedness of the Government; and*
- “(j) such other financial statements and data as in his opinion are necessary or desirable in order to make known in all practicable detail the financial condition of the Government.”*

(b) Section 203 of such Act is amended to read as follows:

“SEC. 203. (a) The President from time to time may transmit to Congress such proposed supplemental or deficiency appropriations as in his judgment (1) are necessary on account of laws enacted after the transmission of the Budget, or (2) are otherwise in the public interest. He shall accompany such proposals with a statement of the reasons therefor, including the reasons for their omission from the Budget.

“(b) Whenever such proposed supplemental or deficiency appropriations reach an aggregate which, if they had been contained in the Budget, would have required the President to make a recommendation under subsection (a) of section 202, he shall thereupon make such recommendation.”

(c) Section 204 of such Act is amended to read as follows:

“SEC. 204. (a) Except as otherwise provided in this Act, the contents, order, and arrangement of the proposed appropriations and the statements of expenditures and estimated expenditures contained in the Budget or transmitted under section 203, and the notes and other data submitted therewith, shall conform to requirements prescribed by the President.

“(b) The Budget, and statements furnished with any proposed supplemental or deficiency appropriations, shall be accompanied by information as to personal services and other objects of expenditure in the same manner and form as in the Budget for the fiscal year 1950: Provided, That this requirement may be waived or modified, either generally or in

specific cases, by joint action of the committees of Congress having jurisdiction over appropriation: And provided further, That nothing in this Act shall be construed to limit the authority of committees of Congress to request and receive such information in such form as they may desire in consideration of and action upon budget estimates."

(d) Section 205 of such Act is amended to read as follows:

"SEC. 205. Whenever any basic change is made in the form of the Budget, the President, in addition to the Budget, shall transmit to Congress such explanatory notes and tables as may be necessary to show where the various items embraced in the Budget of the prior year are contained in the new Budget."

(e) The last sentence of section 207 of such Act is amended to read as follows: "The Bureau, under such rules and regulations as the President may prescribe, shall prepare the Budget, and any proposed supplemental or deficiency appropriations, and to this end shall have authority to assemble, correlate, revise, reduce, or increase the requests for appropriations of the several departments or establishments."

(f) Section 214 of such Act is amended to read as follows:

"SEC. 214. The head of each department and establishment shall prepare or cause to be prepared in each year his requests for regular, supplemental, or deficiency appropriations."

(g) Section 215 of such Act is amended to read as follows:

"SEC. 215. The head of each department and establishment shall submit his requests for appropriations to the Bureau on or before a date which the President shall determine. In case of his failure to do so, the President shall cause such requests to be prepared as are necessary to enable him to include such requests with the Budget in respect to the work of such department or establishment."

(h) Section 216 of such Act is amended to read as follows:

"SEC. 216. Requests for regular, supplemental, or deficiency appropriations which are submitted to the Bureau by the head of any department or establishment shall be prepared and submitted as the President may determine in accordance with the provisions of section 201."

GOVERNMENT STATISTICAL ACTIVITIES

SEC. 103. The President, through the Director of the Bureau of the Budget, is authorized and directed to develop programs and to issue regulations and orders for the improved gathering, compiling, analyzing, publishing, and disseminating of statistical information for any purpose by the various agencies in the executive branch of the Government. Such regulations and orders shall be adhered to by such agencies.

IMPROVED ADMINISTRATION OF EXECUTIVE AGENCIES

SEC. 104. The President, through the Director of the Bureau of the Budget, is authorized and directed to evaluate and develop improved plans for the organization, coordination, and management of the executive branch of the Government with a view to efficient and economical service.

BUSINESS-TYPE BUDGETS

SEC. 105. The first two sentences of section 102 of the Government Corporation Control Act of 1945 (59 Stat. 597), are amended to read as follows: "Each wholly owned Government corporation shall cause to be

prepared annually a business-type budget which shall be submitted to the Bureau of the Budget, under such rules and regulations as the President may establish as to the date of submission, the form and content, the classifications of data, and the manner in which such budget program shall be prepared and presented."

PART II—ACCOUNTING AND AUDITING

SHORT TITLE

SEC. 110. This part may be cited as the "Accounting and Auditing Act of 1950".

DECLARATION OF POLICY

SEC. 111. It is the policy of the Congress in enacting this part that—

(a) The accounting of the Government provide full disclosure of the results of financial operations, adequate financial information needed in the management of operations and the formulation and execution of the Budget, and effective control over income, expenditures, funds, property, and other assets.

(b) Full consideration be given to the needs and responsibilities of both the legislative and executive branches in the establishment of accounting and reporting systems and requirements.

(c) The maintenance of accounting systems and the producing of financial reports with respect to the operations of executive agencies, including central facilities for bringing together and disclosing information on the results of the financial operations of the Government as a whole, be the responsibility of the executive branch.

(d) The auditing for the Government, conducted by the Comptroller General of the United States as an agent of the Congress be directed at determining the extent to which accounting and related financial reporting fulfill the purposes specified, financial transactions have been consummated in accordance with laws, regulations or other legal requirements, and adequate internal financial control over operations is exercised, and afford an effective basis for the settlement of accounts of accountable officers.

(e) Emphasis be placed on effecting orderly improvements resulting in simplified and more effective accounting, financial reporting, budgeting, and auditing requirements and procedures and on the elimination of those which involve duplication or which do not serve a purpose commensurate with the costs involved.

(f) The Comptroller General of the United States, the Secretary of the Treasury, and the Director of the Bureau of the Budget conduct a continuous program for the improvement of accounting and financial reporting in the Government.

ACCOUNTING AND REPORTING PROVISIONS

SEC. 112. (a) The Comptroller General of the United States, after consulting the Secretary of the Treasury and the Director of the Bureau of the Budget concerning their accounting, financial reporting, and budgetary needs, and considering the needs of the other executive agencies, shall prescribe the principles, standards, and related requirements for accounting to be observed by each executive agency, including requirements for suitable integration between the accounting processes of each executive

agency and the accounting of the Treasury Department. Requirements prescribed by the Comptroller General shall be designed to permit the executive agencies to carry out their responsibilities under section 113 of this part, while providing a basis for integrated accounting for the Government, full disclosure of the results of the financial operations of each executive agency and the Government as a whole, and financial information and control necessary to enable the Congress and the President to discharge their respective responsibilities. The Comptroller General shall continue to exercise the authority vested in him by section 205 (b) of the Federal Property and Administrative Services Act of 1949 (63 Stat. 389) and, to the extent he deems necessary, the authority vested in him by section 309 of the Budget and Accounting Act, 1921 (42 Stat. 25). Any such exercise of authority shall be consistent with the provisions of this section.

(b) The General Accounting Office shall cooperate with the executive agencies in the development of their accounting systems, including the Treasury Department, in the development and establishment of the system of central accounting and reporting required by section 114 of this part. Such accounting systems shall be approved by the Comptroller General when deemed by him to be adequate and in conformity with the principles, standards, and related requirements prescribed by him.

(c) The General Accounting Office shall from time to time review the accounting systems of the executive agencies. The results of such reviews shall be available to the heads of the executive agencies concerned, to the Secretary of the Treasury, and to the Director of the Bureau of the Budget, and the Comptroller General shall make such reports thereon to the Congress as he deems proper.

SEC. 113. (a) The head of each executive agency shall establish and maintain systems of accounting and internal control designed to provide—

- (1) full disclosure of the financial results of the agency's activities;
- (2) adequate financial information needed for the agency's management purposes;

- (3) effective control over and accountability for all funds, property, and other assets for which the agency is responsible, including appropriate internal audit;

- (4) reliable accounting results to serve as the basis for preparation and support of the agency's budget requests, for controlling the execution of its budget, and for providing financial information required by the Bureau of the Budget under section 213 of the Budget and Accounting Act, 1921 (42 Stat. 23);

- (5) suitable integration of the accounting of the agency with the accounting of the Treasury Department in connection with the central accounting and reporting responsibilities imposed on the Secretary of the Treasury by section 114 of this part.

(b) The accounting systems of executive agencies shall conform to the principles, standards, and related requirements prescribed by the Comptroller General pursuant to section 112 (a) of this part.

SEC. 114. (a) The Secretary of the Treasury shall prepare such reports for the information of the President, the Congress, and the public as will present the results of the financial operations of the Government: Provided, That there shall be included such financial data as the Director of the Bureau of the Budget may require in connection with the preparation of the Budget or for other purposes of the Bureau. Each executive agency shall furnish the Secretary of the Treasury such reports and information relating to its financial condition and operations as the Secretary, by rules and regulations, may require for the effective performance of his responsibilities under this section.

(b) *The Secretary of the Treasury is authorized to establish the facilities necessary to produce the financial reports required by subsection (a) of this section. The Secretary is further authorized to reorganize the accounting functions and install, revise, or eliminate accounting procedures and financial reports of the Treasury Department in order to develop effective and coordinated systems of accounting and financial reporting in the several bureaus and offices of the Department with such concentration of accounting and reporting as is necessary to accomplish integration of accounting results for the activities of the Department and provide the operating center for the consolidation of accounting results of other executive agencies with those of the Department. The authority vested in and the duties imposed upon the Department by sections 10, 15, and 22 of the Act entitled "An Act making appropriations for the legislative, executive, and judicial branches of the Government for the fiscal year ending June thirtieth, eighteen hundred ninety-five, and for other purposes", approved July 31, 1894 (28 Stat. 162, 208-210), may be exercised and performed by the Secretary of the Treasury as a part of his broader authority and duties under this section and in such a manner as to provide a unified system of central accounting and reporting on the most efficient and useful basis.*

(c) *The system of central accounting and reporting provided for herein shall be consistent with the principles, standards, and related requirements prescribed by the Comptroller General pursuant to section 112 of this part.*

SEC. 115. (a) *When the Secretary of the Treasury and the Comptroller General determine that existing procedures can be modified in the interest of simplification, improvement, or economy, with sufficient safeguards over the control and accounting for the public funds, they may issue joint regulations providing for the waiving, in whole or in part, of the requirements of existing law that—*

(1) *warrants be issued and countersigned in connection with the receipt, retention, and disbursement of public moneys and trust funds; and*

(2) *funds be requisitioned, and advanced to accountable officers under each separate appropriation head or otherwise.*

(b) *Such regulations may further provide for the payment of vouchers by authorized disbursing officers by means of checks issued against the general account of the Treasurer of the United States: Provided, That in such case the regulations shall provide for appropriate action in the event of delinquency by disbursing officers in the rendition of their accounts or for other reasons arising out of the condition of the officers' accounts, including under necessary circumstances, the suspension or withdrawal of authority to disburse.*

SEC. 116. *The Comptroller General is authorized to discontinue the maintenance in the General Accounting Office of appropriation, expenditure, limitation, receipt, and personal ledger accounts when in his opinion the accounting systems and internal control of the executive, legislative, and judicial agencies are sufficient to enable him to perform properly the functions to which such accounts relate.*

AUDITING PROVISIONS

SEC. 117. (a) *Except as otherwise specifically provided by law, the financial transactions of each executive, legislative, and judicial agency, including but not limited to the accounts of accountable officers, shall be audited by the General Accounting Office in accordance with such prin-*

ciples and procedures and under such rules and regulations as may be prescribed by the Comptroller General of the United States. In the determination of auditing procedures to be followed and the extent of examination of vouchers and other documents, the Comptroller General shall give due regard to generally accepted principles of auditing, including consideration of the effectiveness of accounting organizations and systems, internal audit and control, and related administrative practices of the respective agencies.

(b) Whenever the Comptroller General determines that the audit shall be conducted at the place or places where the accounts and other records of an executive agency are normally kept, he may require any executive agency to retain in whole or in part accounts of accountable officers, contracts, vouchers, and other documents, which are required under existing law to be submitted to the General Accounting Office, under such conditions and for such period not exceeding ten years as he may specify, unless a longer period is agreed upon with the executive agency: Provided, That under agreements between the Comptroller General and legislative and judicial agencies the provisions of this sentence may be extended to the accounts and records of such agencies.

GENERAL PROVISIONS

SEC. 118. As used in this part, the term "executive agency" means any executive department or independent establishment in the executive branch of the Government but (a) except for the purposes of sections 114, 116, and 119 shall not include any Government corporation or agency subject to the Government Corporation Control Act (59 Stat. 597), and (b) except for the purposes of sections 111, 114, and 116 shall not include the Post Office Department.

SEC. 119. The head of each executive agency is authorized to designate the place or places, at the seat of government or elsewhere, at which the administrative examination of fiscal officers' accounts will be performed, and with the concurrence of the Comptroller General to waive the administrative examination in whole or in part: Provided, That the same authority is hereby conferred upon the officers responsible for the administrative examination of accounts for legislative and judicial agencies.

TITLE II—APPROPRIATIONS

TRANSFERS BETWEEN APPROPRIATIONS

SEC. 201. After the end of the second full fiscal year following the date of enactment of this Act, with the approval of the President, the head of each department and establishment in the executive branch of the Government is authorized to make transfers and adjustments between appropriations within his department or establishment in order to promote economy and efficiency, but no appropriation shall be increased or decreased thereby during any fiscal year by more than 5 per centum. Reports of such transfers and adjustments with the reasons therefor shall be made currently to the President and the Congress and shall be summarized annually in the Budget.

AUTHORIZATIONS FOR APPROPRIATIONS

SEC. 202. No requests for legislation, which, if enacted, would authorize subsequent appropriations for a department or establishment in the

executive branch of the Government, shall be transmitted to the Bureau of the Budget, to the President, or to the Congress by such department or establishment, or by any organizational unit thereof, without the prior approval of the head of such department or establishment.

ADJUSTMENT OF APPROPRIATIONS FOR REORGANIZATION

SEC. 203. (a) *When under authority of law a function or an activity is transferred or assigned from one agency within any department or establishment to another agency in the same department or establishment, the balance of appropriations which are determined by the head of such department or establishment to be available and necessary to finance or discharge the function or activity so transferred or assigned may, with the approval of the President, be transferred to, and be available for use by, the agency to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby authorized to be established, and shall be merged with funds in the applicable existing or newly established appropriation account or accounts and thereafter accounted for as one fund.*

(b) *When under authority of law a function or activity is transferred or assigned from one department or establishment to another department or establishment, the balance of appropriations which are determined by the President to be available and necessary to finance or discharge the function or activity so transferred or assigned, shall be transferred to and be available for use by the department or establishment to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby authorized to be established, and shall be merged with funds in the applicable existing or newly established appropriation account or accounts and thereafter accounted for as one fund.*

TITLE III—REPEALS AND SAVING PROVISIONS

REPEALS

SEC. 301. *The following Acts and parts of Acts are hereby repealed:*

(1) *Section 10 of the Act of August 1, 1914 (38 Stat. 680; U. S. C., title 31, sec. 582).*

(2) *So much of section 4 of the Act of June 20, 1874 (18 Stat. 109; U. S. C., title 31, sec. 583 (1)), as reads: “; and hereafter the Secretary of the Treasury shall annually submit to Congress detailed estimates of appropriations required for said expenses;”.*

(3) *The last proviso in the first paragraph under the heading “Judgments; United States Courts” of the Act of April 27, 1904 (33 Stat. 422; U. S. C., title 31, sec. 583 (2)).*

(4) *The last sentence of section 5 of the Act of August 5, 1882 (22 Stat. 256; U. S. C., title 31, sec. 583 (3)).*

(5) *So much of the matter appearing under the heading “Mints and Assay Offices” of the Act of March 4, 1911 (36 Stat. 1292; U. S. C., title 31, sec. 583 (4)), as reads: “, and the Secretary of the Treasury shall, for the fiscal year nineteen hundred and thirteen, and annually thereafter,*

submit to Congress in the regular book of estimates, detailed estimates for the expenses of this Service”.

(6) So much of the matter appearing under the heading “Treasury Department” in the Act of August 26, 1912 (37 Stat. 596; U. S. C., title 31, sec. 583 (5)), as reads: “Provided further, That estimates hereunder shall be submitted in detail for the fiscal year 1914, and annually thereafter”.

(7) The last sentence of the paragraph under the heading “Federal Farm Loan Board” of the Act of September 8, 1916 (U. S. C., title 31, sec. 583 (7)), appearing on page 803 of volume 39 of the Statutes at Large; and the third and last paragraph under the heading “Federal Farm Loan Bureau” of the Act of March 3, 1917 (U. S. C., title 31, sec. 583 (7)), appearing on page 1084 of volume 39 of the Statutes at Large.

(8) The last sentence on page 48 of volume 30 of the Statutes at Large, in the Act of June 4, 1897 (U. S. C., title 31, sec. 583 (8)).

(9) The first sentence of section 6 of the Act of March 3, 1919 (40 Stat. 1309; U. S. C., title 31, sec. 583 (10)).

(10) The last proviso under the heading “Office of the Chief Signal Officer” of the Act of March 2, 1907 (34 Stat. 1159; U. S. C., title 31, sec. 583 (11)).

(11) The sixth full paragraph appearing on page 648 of volume 29 of the Statutes at Large in the Act of March 3, 1897 (U. S. C., title 31, sec. 583 (13)).

(12) So much of the matter following the heading “Bureau of Mines” in the Act of March 3, 1915 (38 Stat. 858; U. S. C., title 31, sec. 583 (14)) as reads: “, estimates shall be submitted specifically for all personal services required permanently and entirely in the Bureau of Mines at Washington, District of Columbia, and previously paid from lump-sum or general appropriations;”.

(13) The proviso at the end of the fourth paragraph on page 312 of volume 37 of the Statutes at Large, in the Act of August 17, 1912 (U. S. C., title 31, sec. 583 (15)).

(14) The third paragraph appearing on page 1082 of volume 32 of the Statutes at Large, in the Act of March 3, 1903 (U. S. C., title 31, sec. 583 (16)).

(15) So much of section 12 of the Act of June 26, 1906 (34 Stat. 480; U. S. C., title 31, sec. 583 (18)), as reads: “and he shall annually submit to Congress estimates to cover the cost of the establishment and maintenance of fish hatcheries in Alaska, the salaries and actual traveling expenses of such officials, and for such other expenditures as may be necessary to carry out the provisions of this Act”.

(16) The proviso at the end of the first full paragraph on page 456 of volume 32 of the Statutes at Large, in the Act of June 28, 1902 (U. S. C., title 31, sec. 583 (20)).

(17) The second full paragraph on page 841 of volume 38 of the Statutes at Large, in the Act of March 3, 1915 (U. S. C., title 31, sec. 583 (21)).

(18) The fourth full paragraph on page 2 of volume 38 of the Statutes at Large, in the Act of May 1, 1913 (U. S. C., title 31, sec. 583 (22)).

(19) The proviso at the end of the second paragraph under the heading “Bureau of Immigration and Naturalization” of the Act of March 4, 1907 (34 Stat. 1329, 1330; U. S. C., title 31, sec. 583 (23)).

(20) The second full paragraph on page 374 of volume 35 of the Statutes at Large, in the Act of May 27, 1908 (U. S. C., title 31, sec. 583 (25)).

(21) So much of the last paragraph on page 396 of volume 37 of the *Statutes at Large*, in the Act of August 23, 1912 (U. S. C., title 31, sec. 583 (26)), as reads: "For the fiscal year nineteen hundred and fourteen and annually thereafter estimates in detail shall be submitted for all personal services required in the Indian Office,".

(22) The proviso at the end of the first full paragraph on page 646 of volume 41 of the *Statutes at Large*, in the Act of May 29, 1920 (U. S. C., title 31, sec. 584).

(23) Section 3660 of the *Revised Statutes* (U. S. C., title 31, sec. 585).

(24) Section 4 of the Act of June 22, 1906 (34 Stat. 448; U. S. C., title 31, sec. 586).

(25) Section 4 of the Act of March 4, 1909 (35 Stat. 907; U. S. C., title 31, sec. 587).

(26) Section 2 of the Act of June 30, 1906 (34 Stat. 762; U. S. C., title 31, sec. 588); and the proviso in the first paragraph on page 1367 of volume 34 of the *Statutes at Large*, in the Act of March 4, 1907 (U. S. C., title 31, sec. 588).

(27) Section 3661, as amended, of the *Revised Statutes* (U. S. C., title 31, sec. 589).

(28) So much of the first paragraph on page 255 of volume 24 of the *Statutes at Large*, in the Act of August 4, 1886 (U. S. C., title 31, sec. 590), as reads: "Provided further, That all printing and engraving for the Geological Survey, the Coast and Geodetic Survey, the Hydrographic Office of the Navy Department, and the Signal Service shall hereafter be estimated for separately and in detail, and appropriated for separately for each of said bureaus".

(29) Section 3662 of the *Revised Statutes* (U. S. C., title 31, sec. 591).

(30) Section 3663 of the *Revised Statutes*, as amended (U. S. C., title 31, sec. 594).

(31) Section 3664 of the *Revised Statutes* (U. S. C., title 31, sec. 597).

(32) Section 3665 of the *Revised Statutes* (U. S. C., title 31, sec. 598).

(33) The second paragraph under the heading "Revenue-Cutter Service" in the Act of March 2, 1889 (25 Stat. 907; U. S. C., title 31, sec. 600).

(34) So much of the second full paragraph on page 512 of volume 24 of the *Statutes at Large*, in the Act of March 3, 1887 (U. S. C., title 31, sec. 601), as reads: "That the Secretary of the Treasury shall for the fiscal year eighteen hundred and eighty-seven, and for each fiscal year thereafter in the annual estimates, report to Congress the number of persons employed outside of the District of Columbia, as superintendents, clerks, watchmen and otherwise, and paid from appropriations for the construction of public buildings showing where said persons are employed, in what capacity, the length of time and at what rate of compensation,".

(35) So much of the sixth full paragraph on page 374 of volume 26 of the *Statutes at Large*, in the Act of August 30, 1890 (U. S. C., title 31, sec. 601) as reads: "and hereafter the Secretary of the Treasury shall annually report to Congress in the book of estimates a statement of the expenditure of the appropriation for 'repairs and preservation of public buildings' which shall show the amount expended on each public building and the number of persons employed and paid salaries from such appropriation".

(36) So much of section 1317 of the *Revenue Act of 1921* (42 Stat. 314; U. S. C., title 31, sec. 602) as reads: "and the Secretary of the Treasury shall submit for the fiscal year 1921, and annually thereafter, an estimate of appropriations to refund and pay back duties or taxes erroneously or

illegally assessed or collected under the internal-revenue laws, and to pay judgments, including interests and costs, rendered for taxes or penalties erroneously or illegally assessed or collected under the internal-revenue laws".

(37) *The first paragraph on page 133 of volume 22 of the Statutes at Large, in the Act of July 1, 1882 (U. S. C., title 31, sec. 603).*

(38) *The eighth paragraph under the heading "Foreign Intercourse" of the Act of May 3, 1905 (33 Stat. 1214; U. S. C., title 31, sec. 603).*

(39) *The last paragraph on page 48 of volume 30 of the Statutes at Large, in the Act of June 4, 1897 (U. S. C., title 31, sec. 604).*

(40) *The eighth paragraph under the heading "Under the Engineer Department" of the Act of February 13, 1913 (37 Stat. 671; U. S. C., title 31, sec. 605).*

(41) *The sixth paragraph under the heading "Fortifications in Insular Possessions" of the Act of March 3, 1905 (33 Stat. 847; U. S. C., title 31, sec. 606).*

(42) *So much of the first section of the Act of August 4, 1886 (24 Stat. 246; U. S. C., title 31, sec. 607), as reads: "the estimates for the Army and Navy hospital service shall be submitted as a part of the military establishment".*

(43) *The first full paragraph on page 117 of volume 31 of the Statutes at Large, in the Act of April 17, 1900 (U. S. C., title 31, sec. 609).*

(44) *Section 3668 of the Revised Statutes (U. S. C., title 31, sec. 610).*

(45) *So much of the first paragraph on page 357 of volume 20 of the Statutes at Large, in the Act of March 3, 1879 (U. S. C., title 31, sec. 611), as reads: "Provided, That hereafter, in making his estimates for railway mail service the Postmaster General shall separate the estimate for postal-car service from the general estimates; and in case any increase or diminution of service by postal cars shall be made by him, the reasons therefor shall be given in his annual report next succeeding such increase or diminution".*

(46) *So much of the first paragraph under the heading "United States Geological Survey" in the Act of March 3, 1887 (24 Stat. 527; U. S. C., title 31, sec. 612), as reads: "and hereafter the estimates for the Geological Survey shall be itemized".*

(47) *The first paragraph on page 455 of volume 32 of the Statutes at Large, in the Act of June 28, 1902 (U. S. C., title 31, sec. 612).*

(48) *Section 4 of the Act of August 15, 1876 (19 Stat. 200; U. S. C., title 31, sec. 613).*

(49) *The fourth paragraph of section 26 of the Act of June 30, 1913 (38 Stat. 103; U. S. C., title 31, sec. 613).*

(50) *The eighth full paragraph on page 1421 of volume 36 of the Statutes at Large, in the Act of March 4, 1911 (U. S. C., title 31, sec. 614).*

(51) *The eighth full paragraph on page 1206 of volume 33 of the Statutes at Large, in the Act of March 3, 1905 (U. S. C., title 31, sec. 615).*

(52) *The fourth full paragraph under the heading "Government in the Territories" of the Act of July 16, 1914 (38 Stat. 479; U. S. C., title 31, sec. 616).*

(53) *The first full paragraph on page 492 of volume 39 of the Statutes at Large, in the Act of August 11, 1916 (U. S. C., title 31, sec. 617).*

(54) *The proviso in the first paragraph under the heading "Rent in the District of Columbia" of the Act of March 4, 1915 (38 Stat. 1108; U. S. C., title 31, sec. 617).*

(55) *The seventh paragraph on page 433 of volume 32 of the Statutes at Large, in the Act of June 28, 1902 (U. S. C., title 31, sec. 618).*

(56) *The ninth full paragraph on page 755 of volume 36 of the Statutes at Large, in the Act of June 25, 1910 (U. S. C., title 31, sec. 618).*

(57) *The fourth full paragraph on page 362 of volume 27 of the Statutes at Large, in the Act of August 5, 1892 (U. S. C., title 31, sec. 619).*

(58) *The first full paragraph on page 764 of volume 36 of the Statutes at Large, in the Act of June 25, 1910 (U. S. C., title 31, sec. 620).*

(59) *Section 6 of the Act of August 1, 1914 (38 Stat. 679; U. S. C., title 31, sec. 621).*

(60) *The last full sentence in the first paragraph on page 254 of volume 23 of the Statutes at Large, in the Act of July 7, 1884 (U. S. C., title 31, sec. 622).*

(61) *Section 5 of the Act of June 30, 1906 (34 Stat. 763; U. S. C., title 31, sec. 626).*

(62) *The proviso at the end of the first paragraph on page 579 of volume 37 of the Statutes at Large, in the Act of August 24, 1912 (U. S. C., title 31, sec. 626).*

(63) *Section 7, as amended, of the Act of August 26, 1912 (37 Stat. 626; 37 Stat. 790; U. S. C., title 31, sec. 629).*

(64) *The fourth full paragraph on page 854 of volume 37 of the Statutes at Large, in the Act of March 4, 1913 (U. S. C., title 31, sec. 630).*

(65) *The proviso at the end of the seventh paragraph on page 1030 of volume 31 of the Statutes at Large, in the Act of March 3, 1901 (U. S. C., title 31, sec. 633).*

(66) *The second paragraph under the heading "Contingent, Bureau of Ordnance" of the Act of July 12, 1921 (42 Stat. 128; U. S. C., title 31, sec. 636), down through the first proviso therein.*

(67) *So much of the third paragraph under the heading "Contingent Expenses, Navy Department" of the Act of June 22, 1906 (34 Stat. 427; U. S. C., title 31, sec. 637), as reads: "and hereafter it shall not be lawful to expend, for any of the offices or bureaus of the Navy Department at Washington, any sum out of appropriations made for the naval establishment for any of the purposes mentioned or authorized in the said foregoing paragraph".*

(68) *So much of the paragraph under the heading "Increase of the Navy, Equipment" of the Act of March 3, 1915 (38 Stat. 952; U. S. C., title 31, sec. 648), as reads: "and beginning with July first, nineteen hundred and fifteen, equipment outfits shall be charged to appropriation 'Increase of the Navy, Construction and Machinery'".*

(69) *The two provisos in the paragraph under the heading "Fuel and Transportation" of the Act of March 3, 1915 (38 Stat. 944; U. S. C., title 31, sec. 649).*

(70) *The proviso in the tenth paragraph on page 236 of volume 28 of the Statutes at Large, in the Act of August 6, 1894 (U. S. C., title 31, sec. 650).*

(71) *The fourth full paragraph on page 1175 of volume 34 of the Statutes at Large, in the Act of March 2, 1907 (U. S. C., title 31, sec. 655).*

(72) *So much of the first full paragraph on page 1391 of volume 42 of the Statutes at Large, in the Act of March 2, 1923 (U. S. C., title 31, sec. 656), as reads: "and the Budget estimates for each of such appropriations shall hereafter carry separately the amounts required for such transportation costs".*

(73) *The proviso in the seventh full paragraph on page 520 of volume 32 of the Statutes at Large, in the Act of June 30, 1902 (U. S. C., title 31, sec. 657).*

(74) *The proviso in lines 2 through 8 on page 710 of volume 36 of the Statutes at Large, in the Act of June 25, 1910 (U. S. C., title 31, sec. 664).*

(75) *Section 3682 of the Revised Statutes (U. S. C., title 31, sec. 674).*

(76) *Section 3683 of the Revised Statutes (U. S. C., title 31, sec. 675).*

(77) *The second full paragraph on page 1303 of volume 41 of the Statutes at Large, in the Act of March 3, 1921 (U. S. C., title 31, sec. 676).*

(78) *The proviso in lines 7 through 17 on page 203 of volume 20 of the Statutes at Large, in the Act of June 19, 1878 (U. S. C., title 31, sec. 677).*

(79) *Section 3684 of the Revised Statutes (U. S. C., title 31, sec. 681).*

(80) *Section 6 of the Act of May 30, 1908 (U. S. C., title 31, sec. 683).*

(81) *So much of the paragraph under the heading "Pay of Assistant Custodians and Janitors" on pages 1153 and 1154 of volume 31 of the Statutes at Large, in the Act of March 3, 1901 (U. S. C., title 31, sec. 684), as reads: "and hereafter no other fund appropriated shall be used for this service".*

(82) *The second paragraph under the heading "United States Commerce Court" of the Act of March 4, 1911 (36 Stat. 1234; U. S. C., title 31, sec. 687).*

(83) *Section 26 of the Act of June 30, 1913 (38 Stat. 103; U. S. C., title 31, sec. 688).*

(84) *Section 400 of the Second Deficiency Appropriation Act, 1947 (U. S. C., title 31, sec. 694).*

(85) *Section 607 of the Act of June 30, 1945, as amended (59 Stat. 304; U. S. C., title 5, sec. 947).*

(86) *Section 3 of the Act of March 3, 1875, as amended (18 Stat. 370; U. S. C., title 31, sec. 624).*

(87) *So much of the Act of March 26, 1934, as amended (48 Stat. 466; U. S. C., title 5, sec. 118c), as reads: "with the Budget estimates".*

(88) *So much of the paragraph under the heading "Department of State" in the Act of August 5, 1909 (36 Stat. 119; U. S. C., title 5, sec. 157), as reads: "and estimates for further appropriations hereunder shall include in detail salaries for all persons to be employed and paid in the Department of State at Washington; District of Columbia".*

(89) *The last proviso under the head "Working Capital Fund" in the Act of July 12, 1943 (57 Stat. 393; U. S. C., title 5, sec. 558a).*

(90) *So much of section 17 of the Act of May 22, 1920, as amended (41 Stat. 620; U. S. C., title 5, sec. 730), as reads: "annually to the Bureau of the Budget".*

(91) *Section 31 of the Act of September 7, 1916, as amended (39 Stat. 749; U. S. C., title 5, sec. 782).*

(92) *The last sentence of section 35 of the Act of September 7, 1916, as amended (39 Stat. 749; U. S. C., title 5, sec. 785).*

(93) *So much of section 1 of the Act of October 1, 1890 (26 Stat. 653; U. S. C., title 10, sec. 214), as reads: "and the Signal Corps of the Army shall remain a part of the Military Establishment under the direction of the Secretary of War, and all estimates for its support shall be included with other estimates for the support of the Military Establishment".*

(94) *The last proviso of section 4 of the Act of March 12, 1926 (44 Stat. 206; U. S. C., title 10, sec. 1597).*

(95) So much of section 1 of the Act of June 12, 1917, as amended (40 Stat. 153; U. S. C., title 16, sec. 452), as reads: "and the Secretary of the Interior is directed to submit, for the fiscal year nineteen hundred and nineteen and annually thereafter, estimates of the amounts required for the care, maintenance, and development of the said parks."

(96) So much of section 1 of the Act of July 24, 1876, as amended (19 Stat. 99; U. S. C., title 24, sec. 278), as requires estimates for the care and maintenance of the national military cemeteries to be submitted annually by the Director of the National Park Service.

(97) So much of section 1 of the Act of January 24, 1923 (42 Stat. 1208; U. S. C., title 31, sec. 12), as reads: "The aggregate of all estimates of appropriations from the 'reclamation fund' contained in the Budget for any fiscal year shall be included in the totals of the Budget for that year."

(98) The second paragraph under the heading "Pay, Miscellaneous" of the Act of March 3, 1909 (35 Stat. 754; U. S. C., title 31, sec. 609a).

(99) The third paragraph under the heading "Office of the Fourth Assistant Postmaster General" of the Act of June 9, 1896 (29 Stat. 316; U. S. C., title 31, sec. 610a).

(100) The last proviso under the heading "National Home for Disabled Volunteer Soldiers" of the Act of October 2, 1888, as amended (25 Stat. 543; U. S. C., title 31, sec. 719).

(101) Section 119 of the Act of June 3, 1916 (39 Stat. 213; U. S. C., title 32, sec. 25).

(102) So much of the fourth full paragraph on page 558 of volume 39 of the Statutes at Large in the Act of August 29, 1916 (U. S. C., title 34, sec. 504), as reads: "and the Secretary of the Navy shall each year, in the annual estimates, report to Congress the number of persons so employed, their duties, and the amount paid to each".

(103) The last proviso in the third paragraph on page 377 of volume 37 of the Statutes at Large in the Act of August 23, 1912 (U. S. C., title 39, sec. 769).

(104) Section 27 of the Act of January 12, 1895, as amended (28 Stat. 604; U. S. C., title 44, sec. 37).

(105) The eighth full paragraph on page 382 of volume 35 of the Statutes at Large in the Act of May 27, 1908 (U. S. C., title 44, sec. 37).

(106) The last paragraph under the heading "Government in the Territories" in the Act of June 20, 1874 (18 Stat. 99; U. S. C., title 48, sec. 1456).

SAVING PROVISIONS

SEC. 302. (a) The omission of any provision of law from the provisions of law repealed under section 301 shall not be construed as limiting the application of section 201 or 216 of the Budget and Accounting Act, 1921, as amended, or the powers of the President thereunder, or as evidencing an intent that such provision was not to be superseded by such sections.

(b) Whenever any law authorizes expenditures for a particular object or purpose to be made from an appropriation item referred to in such law by the specific title theretofore used for that appropriation item in the appropriation Act concerned, and thereafter such title is changed or is eliminated from such appropriation Act, expenditures for such object or purpose thereafter may be made from any corresponding appropriation item.

(c) *Except where authority for performance of a function is specifically repealed in section 301, none of the provisions of such section shall be construed as affecting the jurisdiction or responsibility of any agency or officer of the Government over any function or organizational unit referred to in such section.*

(d) *Existing laws, policies, procedures, and directives pertaining to functions covered by this Act, and not inconsistent herewith or repealed hereby, shall remain in full force and effect unless and until superseded, or except as they may be amended, under the authority of this Act or under other appropriate authority.*

And the Senate agree to the same.

WM. L. DAWSON,
CHET HOLIFIELD,
FRANK M. KARSTEN,
CLARE E. HOFFMAN,
HAROLD O. LOVRE,

Managers on the Part of the House.

JOHN L. MCCLELLAN,
CLYDE R. HOEY,
HUBERT H. HUMPHREY,
KARL E. MUNDT,
ANDREW F. SCHOEPPPEL,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9038) to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate struck out all of the House bill after the enacting clause and inserted a substitute text. The House recedes from its disagreement to the Senate amendment with an amendment which is a substitute for both the House bill and the Senate amendment. Except for technical and minor drafting changes, the differences between the House bill, the Senate amendment, and the conference substitute are explained below.

Section 101 of the House bill added to section 2 of the Budget and Accounting Act, 1921, language which defines the term "appropriations" to include, wherever appropriate, funds and authorizations to create obligations by contract in advance of appropriations. The Senate amendment added to such definition the words "or any other authority making funds available for obligation or expenditure" in order to broaden the scope of the term "appropriations" and make it more inclusive. The conference substitute retains the language added by the Senate amendment.

In retaining the language of the Senate amendment, the committee wishes to make it clear that it is not intended to change the form of the estimates now submitted for wholly owned Government corporations under the Government Corporation Control Act, or to affect the Federal Deposit Insurance Corporation or its funds. The funds of the Federal Deposit Insurance Corporation are received from assessments on insured banks and are used only for the purposes of deposit insurance. These funds have never been under the Budget and Accounting Act for the reason that they are not Government moneys or appropriations and there was no intention of including such funds in this amendment.

Section 102 of the House bill amended section 201 of the Budget and Accounting Act, 1921, to provide that the Budget shall set forth, among other things, in form and detail determined by the President, the functions and activities of the Government. The Senate amendment added the words "constituting a performance budget" as a description of the resulting form of the Budget. The matter of submission of the Budget on the basis of functions and activities does not depend upon the words added by the Senate amendment but upon the specific requirement to that effect included in both the House bill and the Senate amendment that functions and activities be shown. Therefore the words "constituting a performance budget" have been eliminated as surplusage from the conference substitute, since these

additional words might in the future be given a restrictive construction not intended.

The House bill contains a provision in section 102 (c) amending subsection 204 (b) of the Budget and Accounting Act, 1921, to insure that the so-called "green sheets," giving information as to personal service and other objects of expenditure, would accompany the Budget. The House provision with respect to waiver or modification of the requirements of such subsection would permit the green sheet procedure to be dispensed with in whole or in part if the appropriations committees jointly should find such action desirable. The Senate amendment contained no comparable provision. The conference substitute adopts the House provision.

Section 103 of the Senate amendment gave authority to the head of each department and establishment in the executive branch of the Government to make certain transfers and adjustments between appropriations within his department or establishment during a transitory period of two fiscal years following the date of enactment in order to reflect the financial requirements of the functions and activities of the department or establishment. The House bill contained no comparable provision. The conference substitute eliminates this provision of the Senate amendment.

Section 201 of the Senate amendment gives the head of each department and establishment in the executive branch of the Government the authority to make transfers and adjustments between appropriations within his department or establishment with the approval of the President. No appropriation may be increased or decreased by more than 5 percent during any fiscal year by reason of such transfer or adjustment. Section 201 would take effect after the end of the second full fiscal year following the date of enactment and would give the head of each department and establishment administrative flexibility in promoting economy and efficiency in the operation of his department and would tend to decrease the need for supplemental and deficiency appropriations. To avoid abuse, reports on such transfers, with reasons therefor, are to be made currently to the President and to the Congress and are to be summarized annually in the Budget. The House bill contained no comparable provision. The conference substitute retains section 201 of the Senate amendment.

Section 203 of the Senate amendment provided for reserves to be established, and modified from time to time, against appropriations when the President determines the purposes of the Congress could be accomplished with lesser expenditures. The House bill contained no comparable provision. In view of the similar and more general authority provided in section 1111 of the General Appropriation Act, 1951, as passed by both Houses, the conference substitute eliminates section 203 as unnecessary.

WM. L. DAWSON,
CHET HOLIFIELD,
FRANK M. KARSTEN,
CLARE E. HOFFMAN,
HAROLD O. LOVRE,

Managers on the Part of the House.



"(d) striking out the word 'and' at the end of paragraph (30) of section 602 (a); striking out the period at the end of paragraph (31) of section 602 (a) and inserting in lieu thereof a semicolon; and adding at the end of section 602 (a) the following new paragraphs:

"(32) the Act entitled "An Act to establish a National Archives of the United States Government, and for other purposes," approved June 19, 1934 (48 Stat. 1122-1124, as amended; 44 U. S. C. 300, 300a, 300c-k); and

"(33) section 4 of the Act of February 3, 1905 (33 Stat. 687, as amended; 5 U. S. C. 77)."

"(e) amending subsection 602 (b) and (c) thereof to read as follows: '(b) There are hereby superseded—

"(1) the provisions of the first, third, and fifth paragraphs of section 1 of Executive Order Numbered 6166 of June 10, 1933, insofar as they relate to any function now administered by the Bureau of Federal Supply except functions with respect to standard contract forms; and

"(2) sections 2 and 4 of the Act entitled "An Act to provide for the disposal of certain records of the United States Government," approved July 7, 1943 (57 Stat. 381, as amended; 44 U. S. C. 367 and 369), to the extent that the provisions thereof are inconsistent with the provisions of title V of this Act.

"(c) The authority conferred by this Act shall be in addition and paramount to any authority conferred by any other law and shall not be subject to the provisions of any law inconsistent herewith, except that sections 205 (b) and 206 (c) of this Act shall not be applicable to any Government corporation or agency which is subject to the Government Corporation Control Act (59 Stat. 597; 31 U. S. C. 841)."

"(f) amending paragraphs (17), (18), and (19) of section 602 (d) thereof to read as follows:

"(17) the Central Intelligence Agency;

"(18) the Joint Committee on Printing, under the Act entitled "An Act providing for the public printing and binding and the distribution of public documents" approved January 12, 1895 (28 Stat. 601), as amended or any other Act; or

"(19) for such period of time as the President may specify, any other authority of any executive agency which the President determines within one year after the effective date of this Act should, in the public interest, stand unimpaired by this Act."

"(g) striking out the period at the end of section 603 (a) thereof and inserting in lieu thereof a comma and the following: 'including payment in advance, when authorized by the Administrator, for library memberships in societies whose publications are available to members only, or to members at a price lower than that charged to the general public.'

"Sec. 8. (a) Subsection 3 (b) of the Federal Property and Administrative Services Act of 1949 is amended to read as follows:

"(b) The term "Federal agency" means any executive agency or any establishment in the legislative or judicial branch of the Government (except the Senate, the House of Representatives, and the Architect of the Capitol and any activities under his direction)."

"(b) Section 201 (b) of the Federal Property and Administrative Services Act of 1949 is amended by striking out the expression 'or the Senate, or the House of Representatives,'.

"(c) Section 602 of the Federal Property and Administrative Services Act of 1949 is amended by redesignating subsection (e) thereof as subsection (f), and inserting, immediately after subsection (d) thereof, the following new subsection:

"(e) No provision of this Act, as amended, shall apply to the Senate or the House of Representatives (including the Architect of the Capitol and any building, activity, or function under his direction), but any of the services and facilities authorized by this Act to be rendered or furnished shall, as far as practicable, be made available to the Senate, the House of Representatives, or the Architect of the Capitol, upon their request and, if payment would be required for the rendition or furnishing of a similar service or facility to an executive agency, payment thereof shall be made by the recipient thereof, upon presentation of proper vouchers, in advance or by reimbursement (as may be agreed upon by the Administrator and the officer or body making such request). Such payment may be credited to the applicable appropriation of the executive agency receiving such payment."

"Sec. 9. The Federal Property and Administrative Services Act of 1949, section 205 (h), is hereby amended by striking out the last word of the sentence 'title' and inserting in lieu thereof the word 'Act'."

"Sec. 10. (a) Whenever any contract made on behalf of the Government by the head of any Federal Agency, or by officers authorized by him so to do, includes a provision for liquidated damages for delay, the Comptroller General upon recommendation of such head is authorized and empowered to remit the whole or any part of such damages as in his discretion may be just and equitable."

"(b) Section 306 of the Federal Property and Administrative Services Act of 1949, is hereby repealed, and this section shall be effective as of July 1, 1949."

"Sec. 11. All laws or parts of laws in conflict with the provisions of this Act or with any amendment made thereby are, to the extent of such conflict, hereby repealed."

And the House agree to the same.

WILLIAM L. DAWSON,
RICHARD BOLLING,
CHET HOLIFIELD,
RALPH HARVEY,
HAROLD O. LOVRE,

Managers on the Part of the House.

JOHN L. MCCLELLAN,
CLYDE R. HOEY,
HUBERT H. HUMPHREY,
KARL E. MUNDT,
ANDREW F. SCHOEPEL,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3959) entitled "An act to amend the Federal Property and Administrative Services Act of 1949, and for other purposes," submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House struck out all of the Senate bill after the enacting clause and inserted a substitute text. The Senate recedes from its disagreement to the House amendment with an amendment which is a substitute for both the Senate bill and the House amendment. Except for technical and minor drafting changes, the differences between the House amendment and the substitute agreed to in conference are explained below.

Section 3 (b) of the Senate bill added to section 109 of the Federal Property and Administrative Services Act of 1949 a new subsection (g). This subsection provides that whenever a producer or vendor tenders any article or commodity for sale to the General Services Administration or to any procurement authority acting under the direction and control of the Administrator of General Services, the Administrator may, with the

consent of such producer or vendor, cause to be conducted such tests as he shall prescribe to determine whether such article or commodity is equal to or superior in performance standard to similar articles or commodities currently on a qualified list. The subsection provides for two categories of testing fees which may be assessed against the producer or vendor: (1) a fee sufficient to recover all testing costs, fixed in accordance with accepted accounting principles, which shall be charged whenever the Administrator determines that the making of such tests will serve predominantly the interests of such producer or vendor; (2) a fee which the Administrator determines to be reasonable for furnishing such testing service which shall be charged whenever the Administrator determines that the making of such tests will not serve predominantly the interests of such producer or vendor. All fees collected by the Administrator may be deposited in the General Supply Fund and be expended for any purpose authorized by section 109 (a) of the Federal Property and Administrative Services Act of 1949.

The House amendment struck out this subsection of the Senate bill and inserted a new subsection (g) which provides that the Administrator of General Services may charge vendors and producers of commodities considered for purchase reasonable fees for testing such commodities and, while providing that such fees may be deposited in the General Supply Fund, limits the use of such fees to the defrayment of expenses of conducting such tests as may be prescribed by the Administrator.

The conference substitute retains the Senate provision.

The House amendment added to section 210 (d) of the Federal Property and Administrative Services Act of 1949 (added to such act by the Senate bill) a new paragraph (6) which exempted the office buildings of the Senate and House of Representatives, the Supreme Court Building, the buildings occupied by the Library of Congress and the Columbia Hospital in the District of Columbia, and any other buildings and grounds under the jurisdiction of the Architect of the Capitol from the provisions of such section 210 (d) authorizing the Director of the Bureau of the Budget to transfer to the Administrator of General Services all functions vested in any other agency with respect to the operation, maintenance, and custody of any office building owned by the United States whenever the Director determines such action to be in the interest of economy or efficiency. Such provision is unnecessary because such section 210 (d) is not applicable to the Architect of the Capitol under the definition of "Federal agency" contained in section 3 (b) of the Federal Property and Administrative Services Act of 1949, as amended by section 8 (a) of the Senate bill. Therefore, the House amendment is omitted from the conference substitute.

Section 5 of the Senate bill added to the Federal Property and Administrative Services Act of 1949 section 210. (e) which authorized the Administrator of General Services to assign and reassign the space of agencies in the executive branch of the Government in buildings owned or leased by the United States and situated either in or outside the District of Columbia, whenever the Administrator determined such assignment or reassignment of space to be advantageous to the Government in the interests of economy, efficiency, or national security. The House amendment does not contain such provision. The conference substitute retains such provision of the Senate bill with an amendment which limits the authority of the Administrator by providing that such assignment or reassignment of space shall be made in accordance with policies and directives prescribed by the President under section 205

(a) of the Federal Property and Administrative Services Act of 1949 and after consultation with the heads of the executive agencies concerned.

Section 5 of the Senate bill added to the Federal Property and Administrative Services Act of 1949 a new section 211 which provides certain requirements for identification of motor vehicles used for official purposes by any Federal agency or the District of Columbia. One of the requirements of such section is that the legend "For official use only" be shown on each such motor vehicle. The House amendment struck out this requirement. Since such requirement is in keeping with the intent of the section, the House recedes and the conference substitute retains the provision. While the conference committee did not amend the section to make it mandatory that the full name of a department, establishment, corporation, or agency be shown on each of its motor vehicles in all cases, nevertheless the committee feels that such practice should be followed as a guide to the General Services Administration.

Section 8 (c) of the Senate bill added to section 602 of the Federal Property and Administrative Services Act of 1949 a new subsection (e). This subsection provided, in part, that no provision of the Federal Property and Administrative Services Act of 1949 as originally enacted or subsequently amended should apply to the Senate or House of Representatives (including the Architect of the Capitol). The House amendment contains this subsection but with a change to the effect that no provision of such act as originally enacted or as herein amended shall apply to the Senate or the House of Representatives (including the Architect of the Capitol). The conference substitute retains this subsection but simply provides that no provision of such act as amended shall apply to the Senate or the House of Representatives (including the Architect of the Capitol). The conference committee believes that the language contained in the conference substitute, in conjunction with the definition of "Federal agency" contained in section 3 (b) of the Federal Property and Administrative Services Act of 1949 as amended by section 8 (a) of the conference substitute, will serve effectively to exclude the Architect of the Capitol from the provisions of the Federal Property and Administrative Services Act of 1949, as amended, except with respect to services and facilities which may be requested by him.

WILLIAM L. DAWSON,
RICHARD BOLLING,
CHET HOLIFIELD,
RALPH HARVEY,
HAROLD O. LOVRE,

Managers on the Part of the House.

Mr. DAWSON, from the committee of conference, submitted the following conference report and statement on the bill (H. R. 9038) entitled "An act to authorize the President to determine the form of the national budget and of departmental estimates to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes."

CONFERENCE REPORT (H. REPT. NO. 3002)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9038) entitled "An act to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That this Act may be cited as the 'Budget and Accounting Procedures Act of 1950'."

"TITLE I—BUDGETING AND ACCOUNTING"

"PART I—BUDGETING"

"SEC. 101. Section 2 of the Budget and Accounting Act, 1921 (42 Stat. 20), is amended by adding at the end thereof the following:

"The term 'appropriations' includes, in appropriate context, funds and authorizations to create obligations by contract in advance of appropriations, or any other authority making funds available for obligation or expenditure."

"SEC. 102. (a) Section 201 of such Act is amended to read as follows:

"SEC. 201. The President shall transmit to Congress during the first fifteen days of each regular session, the Budget, which shall set forth his Budget message, summary data and text, and supporting detail. The Budget shall set forth in such form and detail as the President may determine—

"(a) functions and activities of the Government;

"(b) any other desirable classifications of data;

"(c) a reconciliation of the summary data on expenditures with proposed appropriations;

"(d) estimated expenditures and proposed appropriations necessary in his judgment for the support of the Government for the ensuing fiscal year, except that estimated expenditures and proposed appropriations for such year for the legislative branch of the Government and the Supreme Court of the United States shall be transmitted to the President on or before October 15 of each year, and shall be included by him in the Budget without revision;

"(e) estimated receipts of the Government during the ensuing fiscal year, under (1) laws existing at the time the Budget is transmitted and also (2) under the revenue proposals, if any, contained in the Budget;

"(f) actual appropriations, expenditures, and receipts of the Government during the last completed fiscal year;

"(g) estimated expenditures and receipts, and actual or proposed appropriations of the Government during the fiscal year in progress;

"(h) balanced statements of (1) the condition of the Treasury at the end of the last completed fiscal year, (2) the estimated condition of the Treasury at the end of the fiscal year in progress, and (3) the estimated condition of the Treasury at the end of the ensuing fiscal year if the financial proposals contained in the Budget are adopted;

"(i) all essential facts regarding the bonded and other indebtedness of the Government; and

"(j) such other financial statements and data as in his opinion are necessary or desirable in order to make known in all practicable detail the financial condition of the Government."

"(b) Section 203 of such act is amended to read as follows:

"SEC. 203. (a) The President from time to time may transmit to Congress such proposed supplemental or deficiency appropriations as in his judgment (1) are necessary on account of laws enacted after the transmission of the Budget, or (2) are otherwise in the public interest. He shall accompany such proposals with a statement of the reasons therefor, including the reasons for their omission from the Budget.

"(b) Whenever such proposed supplemental or deficiency appropriations reach an aggregate which, if they had been contained

in the Budget, would have required the President to make a recommendation under subsection (a) of section 202, he shall thereupon make such recommendation."

"(c) Section 204 of such Act is amended to read as follows:

"SEC. 204. (a) Except as otherwise provided in this Act, the contents, order, and arrangement of the proposed appropriations and the statements of expenditures and estimated expenditures contained in the Budget or transmitted under section 203, and the notes and other data submitted therewith, shall conform to requirements prescribed by the President.

"(b) The Budget, and statements furnished with any proposed supplemental or deficiency appropriations, shall be accompanied by information as to personal services and other objects of expenditure in the same manner and form as in the Budget for the fiscal year 1950: *Provided*, That this requirement may be waived or modified, either generally or in specific cases, by joint action of the committees of Congress having jurisdiction over appropriation: *And provided further*, That nothing in this Act shall be construed to limit the authority of committees of Congress to request and receive such information in such form as they may desire in consideration of and action upon budget estimates."

"(d) Section 205 of such Act is amended to read as follows:

"SEC. 205. Whenever any basic change is made in the form of the Budget, the President, in addition to the Budget, shall transmit to Congress such explanatory notes and tables as may be necessary to show where the various items embraced in the Budget of the prior year are contained in the new Budget."

"(e) The last sentence of section 207 of such Act is amended to read as follows: 'The Bureau, under such rules and regulations as the President may prescribe, shall prepare the Budget, and any proposed supplemental or deficiency appropriations, and to this end shall have authority to assemble, correlate, revise, reduce, or increase the requests for appropriations of the several departments or establishments.'

"(f) Section 214 of such Act is amended to read as follows:

"SEC. 214. The head of each department and establishment shall prepare or cause to be prepared in each year his requests for regular, supplemental, or deficiency appropriations."

"(g) Section 215 of such Act is amended to read as follows:

"SEC. 215. The head of each department and establishment shall submit his requests for appropriations to the Bureau on or before a date which the President shall determine. In case of his failure to do so, the President shall cause such requests to be prepared as are necessary to enable him to include such requests with the Budget in respect to the work of such department or establishment."

"(h) Section 216 of such Act is amended to read as follows:

"SEC. 216. Requests for regular, supplemental, or deficiency appropriations which are submitted to the Bureau by the head of any department or establishment shall be prepared and submitted as the President may determine in accordance with the provisions of section 201."

"Government statistical activities"

"SEC. 103. The President, through the Director of the Bureau of the Budget, is authorized and directed to develop programs and to issue regulations and orders for the improved gathering, compiling, analyzing, publishing, and disseminating of statistical information for any purpose by the various agencies in the executive branch of the Government. Such regulations and orders shall be adhered to by such agencies.

"Improved administration of executive agencies"

"Sec. 104. The President, through the Director of the Bureau of the Budget, is authorized and directed to evaluate and develop improved plans for the organization, coordination, and management of the executive branch of the Government with a view to efficient and economical service.

"Business-type budgets"

"Sec. 105. The first two sentences of section 102 of the Government Corporation Control Act of 1945 (59 Stat. 597), are amended to read as follows: 'Each wholly owned Government corporation shall cause to be prepared annually a business-type budget which shall be submitted to the Bureau of the Budget, under such rules and regulations as the President may establish as to the date of submission, the form and content, the classifications of data, and the manner in which such budget program shall be prepared and presented.'

"PART II—ACCOUNTING AND AUDITING"

"Short title"

"Sec. 110. This part may be cited as the 'Accounting and Auditing Act of 1950'.

"Declaration of policy"

"Sec. 111. It is the policy of the Congress in enacting this part that—

"(a) The accounting of the Government provide full disclosure of the results of financial operations, adequate financial information needed in the management of operations and the formulation and execution of the Budget, and effective control over income, expenditures, funds, property, and other assets.

"(b) Full consideration be given to the needs and responsibilities of both the legislative and executive branches in the establishment of accounting and reporting systems and requirements.

"(c) The maintenance of accounting systems and the producing of financial reports with respect to the operations of executive agencies, including central facilities for bringing together and disclosing information on the results of the financial operations of the Government as a whole, be the responsibility of the executive branch.

"(d) The auditing for the Government, conducted by the Comptroller General of the United States as an agent of the Congress be directed at determining the extent to which accounting and related financial reporting fulfill the purposes specified, financial transactions have been consummated in accordance with laws, regulations or other legal requirements, and adequate internal financial control over operations is exercised, and afford an effective basis for the settlement of accounts of accountable officers.

"(e) Emphasis be placed on effecting orderly improvements resulting in simplified and more effective accounting, financial reporting, budgeting, and auditing requirements and procedures and on the elimination of those which involve duplication or which do not serve a purpose commensurate with the costs involved.

"(f) The Comptroller General of the United States, the Secretary of the Treasury, and the Director of the Bureau of the Budget conduct a continuous program for the improvement of accounting and financial reporting in the Government.

"Accounting and reporting provisions"

"Sec. 112. (a) The Comptroller General of the United States, after consulting the Secretary of the Treasury and the Director of the Bureau of the Budget concerning their accounting, financial reporting, and budgetary needs, and considering the needs of the other executive agencies, shall prescribe the principles, standards, and related requirements for accounting to be observed by each executive agency, including requirements for suit-

able integration between the accounting processes of each executive agency and the accounting of the Treasury Department. Requirements prescribed by the Comptroller General shall be designed to permit the executive agencies to carry out their responsibilities under section 113 of this part, while providing a basis for integrated accounting for the Government, full disclosure of the results of the financial operations of each executive agency and the Government as a whole, and financial information and control necessary to enable the Congress and the President to discharge their respective responsibilities. The Comptroller General shall continue to exercise the authority vested in him by section 205 (b) of the Federal Property and Administrative Services Act of 1949 (63 Stat. 389) and, to the extent he deems necessary, the authority vested in him by section 309 of the Budget and Accounting Act, 1921 (42 Stat. 25). Any such exercise of authority shall be consistent with the provisions of this section.

"(b) The General Accounting Office shall cooperate with the executive agencies in the development of their accounting systems, including the Treasury Department, in the development and establishment of the system of central accounting and reporting required by section 114 of this part. Such accounting systems shall be approved by the Comptroller General when deemed by him to be adequate and in conformity with the principles, standards, and related requirements prescribed by him.

"(c) The General Accounting Office shall from time to time review the accounting systems of the executive agencies. The results of such reviews shall be available to the heads of the executive agencies concerned, to the Secretary of the Treasury, and to the Director of the Bureau of the Budget, and the Comptroller General shall make such reports thereon to the Congress as he deems proper.

"Sec. 113. (a) The head of each executive agency shall establish and maintain systems of accounting and internal control designed to provide—

"(1) full disclosure of the financial results of the agency's activities;

"(2) adequate financial information needed for the agency's management purposes;

"(3) effective control over and accountability for all funds, property, and other assets for which the agency is responsible, including appropriate internal audit;

"(4) reliable accounting results to serve as the basis for preparation and support of the agency's budget requests, for controlling the execution of its budget, and for providing financial information required by the Bureau of the Budget under section 213 of the Budget and Accounting Act, 1921 (42 Stat. 23);

"(5) suitable integration of the accounting of the agency with the accounting of the Treasury Department in connection with the central accounting and reporting responsibilities imposed on the Secretary of the Treasury by section 114 of this part.

"(b) The accounting systems of executive agencies shall conform to the principles, standards, and related requirements prescribed by the Comptroller General pursuant to section 112 (a) of this part.

"Sec. 114. (a) The Secretary of the Treasury shall prepare such reports for the information of the President, the Congress, and the public as will present the results of the financial operations of the Government: *Provided*, That there shall be included such financial data as the Director of the Bureau of the Budget may require in connection with the preparation of the Budget or for other purposes of the Bureau. Each executive agency shall furnish the Secretary of the Treasury such reports and information relating to its financial condition and operations as the Secretary, by rules and regula-

tions, may require for the effective performance of his responsibilities under this section.

"(b) The Secretary of the Treasury is authorized to establish the facilities necessary to produce the financial reports required by subsection (a) of this section. The Secretary is further authorized to reorganize the accounting functions and install, revise, or eliminate accounting procedures and financial reports of the Treasury Department in order to develop effective and coordinated systems of accounting and financial reporting in the several bureaus and offices of the Department with such concentration of accounting and reporting as is necessary to accomplish integration of accounting results for the activities of the Department and provide the operating center for the consolidation of accounting results of other executive agencies with those of the Department. The authority vested in and the duties imposed upon the Department by sections 10, 15, and 22 of the Act entitled, 'An Act making appropriations for the legislative, executive, and judicial branches of the Government for the fiscal year ending June thirtieth, eighteen hundred ninety-five, and for other purposes', approved July 31, 1894 (28 Stat. 162, 208-210), may be exercised and performed by the Secretary of the Treasury as a part of his broader authority and duties under this section and in such a manner as to provide a unified system of central accounting and reporting on the most efficient and useful basis.

"(c) The system of central accounting and reporting provided for herein shall be consistent with the principles, standards, and related requirements prescribed by the Comptroller General pursuant to section 112 of this part.

"Sec. 115. (a) When the Secretary of the Treasury and the Comptroller General determine that existing procedures can be modified in the interest of simplification, improvement, or economy, with sufficient safeguards over the control and accounting for the public funds, they may issue joint regulations providing for the waiving, in whole or in part, of the requirements of existing law that—

"(1) warrants be issued and countersigned in connection with the receipts, retention, and disbursement of public moneys and trust funds; and

"(2) funds be requisitioned, and advanced to accountable officers under each separate appropriation head or otherwise.

"(b) Such regulations may further provide for the payment of vouchers by authorized disbursing officers by means of checks issued against the general account of the Treasurer of the United States: *Provided*, That in such case the regulations shall provide for appropriate action in the event of delinquency by disbursing officers in the rendition of their accounts or for other reasons arising out of the condition of the officers' accounts, including under necessary circumstances, the suspension or withdrawal of authority to disburse.

"Sec. 116. The Comptroller General is authorized to discontinue the maintenance in the General Accounting Office of appropriation, expenditure, limitation, receipt, and personal ledger accounts when in his opinion the accounting systems and internal control of the executive, legislative, and judicial agencies are sufficient to enable him to perform properly the functions to which such accounts relate.

"Auditing provisions"

"Sec. 117. (a) Except as otherwise specifically provided by law, the financial transactions of each executive, legislative, and judicial agency, including but not limited to the accounts of accountable officers, shall be audited by the General Accounting Office in accordance with such principles and procedures and under such rules and regulations

as may be prescribed by the Comptroller General of the United States. In the determination of auditing procedures to be followed and the extent of examination of vouchers and other documents, the Comptroller General shall give due regard to generally accepted principles of auditing, including consideration of the effectiveness of accounting organizations and systems, internal audit and control, and related administrative practices of the respective agencies.

"(b) Whenever the Comptroller General determines that the audit shall be conducted at the place or places where the accounts and other records of an executive agency are normally kept, he may require any executive agency to retain in whole or in part accounts of accountable officers, contracts, vouchers, and other documents, which are required under existing law to be submitted to the General Accounting Office, under such conditions and for such period not exceeding ten years as he may specify, unless a longer period is agreed upon with the executive agency: *Provided*, That under agreements between the Comptroller General and legislative and judicial agencies the provisions of this sentence may be extended to the accounts and records of such agencies.

"General provisions

"Sec. 118. As used in this part, the term 'executive agency' means any executive department or independent establishment in the executive branch of the Government but (a) except for the purposes of sections 114, 116, and 119 shall not include any Government corporation or agency subject to the Government Corporation Control Act (59 Stat. 597), and (b) except for the purposes of sections 111, 114, and 116 shall not include the Post Office Department.

"Sec. 119. The head of each executive agency is authorized to designate the place or places, at the seat of government or elsewhere, at which the administrative examination of fiscal officers' accounts will be performed, and with the concurrence of the Comptroller General to waive the administrative examination in whole or in part: *Provided*, That the same authority is hereby conferred upon the officers responsible for the administrative examination of accounts for legislative and judicial agencies.

"TITLE II—APPROPRIATIONS

"TRANSFERS BETWEEN APPROPRIATIONS

"Sec. 201. After the end of the second full fiscal year following the date of enactment of this Act, with the approval of the President, the head of each department and establishment in the executive branch of the Government is authorized to make transfers and adjustments between appropriations within his department or establishment in order to promote economy and efficiency, but no appropriation shall be increased or decreased thereby during any fiscal year by more than 5 per centum. Reports of such transfers and adjustments with the reasons therefor shall be made currently to the President and the Congress and shall be summarized annually in the Budget.

"AUTHORIZATIONS FOR APPROPRIATIONS

"Sec. 202. No requests for legislation, which, if enacted, would authorize subsequent appropriations for a department or establishment in the executive branch of the Government, shall be transmitted to the Bureau of the Budget, to the President, or to the Congress by such department or establishment, or by any organizational unit thereof, without the prior approval of the head of such department or establishment.

"ADJUSTMENT OF APPROPRIATIONS FOR REORGANIZATION

"Sec. 203. (a) When under authority of law a function or an activity is transferred or assigned from one agency within any department or establishment to another agency

in the same department or establishment, the balance of appropriations which are determined by the head of such department or establishment to be available and necessary to finance or discharge the function or activity so transferred or assigned may, with the approval of the President, be transferred to, and be available for use by, the agency to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby authorized to be established, and shall be merged with funds in the applicable existing or newly established appropriation account or accounts and thereafter accounted for as one fund.

"(b) When under authority of law a function or activity is transferred or assigned from one department or establishment to another department or establishment, the balance of appropriations which are determined by the President to be available and necessary to finance or discharge the function or activity so transferred or assigned, shall be transferred to and be available for use by the department or establishment to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby authorized to be established, and shall be merged with funds in the applicable existing or newly established appropriation account or accounts and thereafter accounted for as one fund.

"TITLE III—REPEALS AND SAVING PROVISIONS

"REPEALS

"SEC. 301. The following Acts and parts of Acts are hereby repealed:

"(1) Section 10 of the Act of August 1, 1914 (38 Stat. 680; U. S. C., title 31, sec. 582).

"(2) So much of section 4 of the Act of June 20, 1874 (18 Stat. 109; U. S. C., title 31, sec. 583 (1)), as reads: 'and hereafter the Secretary of the Treasury shall annually submit to Congress detailed estimates of appropriations required for said expenses'.

"(3) The last proviso in the first paragraph under the heading 'Judgments; United States Courts' of the Act of April 27, 1904 (33 Stat. 422; U. S. C., title 31, sec. 583 (2)).

"(4) The last sentence of section 5 of the Act of August 5, 1882 (22 Stat. 256; U. S. C., title 31, sec. 583 (3)).

"(5) So much of the matter appearing under the heading 'Mints and Assay Offices' of the Act of March 4, 1911 (36 Stat. 1292; U. S. C., title 31, sec. 583 (4)), as reads: 'and the Secretary of the Treasury shall, for the fiscal year nineteen hundred and thirteen, and annually thereafter, submit to Congress in the regular book of estimates, detailed estimates for the expenses of this Service'.

"(6) So much of the matter appearing under the heading 'Treasury Department' in the Act of August 26, 1912 (37 Stat. 596; U. S. C., title 31, sec. 583 (5)), as reads: 'Provided further, That estimates hereunder shall be submitted in detail for the fiscal year 1914, and annually thereafter'.

"(7) The last sentence of the paragraph under the heading 'Federal Farm Loan Board' of the Act of September 8, 1916 (U. S. C., title 31, sec. 583 (7)), appearing on page 803 of volume 39 of the Statutes at Large; and the third and last paragraph under the heading 'Federal Farm Loan Bureau' of the Act of March 3, 1917 (U. S. C., title 31, sec. 583 (7)), appearing on page 1084 of volume 39 of the Statutes at Large.

"(8) The last sentence on page 48 of volume 30 of the Statutes at Large, in the Act of June 4, 1897 (U. S. C., title 31, sec. 583 (8)).

"(9) The first sentence of section 6 of the Act of March 3, 1919 (40 Stat. 1309; U. S. C., title 31, sec. 583 (10)).

"(10) The last proviso under the heading 'Officer of the Chief Signal Officer' of the Act of March 2, 1907 (34 Stat. 1159; U. S. C., title 31, sec. 583 (11)).

"(11) The sixth full paragraph appearing on page 648 of volume 29 of the Statutes at Large in the Act of March 3, 1897 (U. S. C., title 31, sec. 583 (13)).

"(12) So much of the matter following the heading 'Bureau of Mines' in the Act of March 3, 1915 (33 Stat. 858; U. S. C., title 31, sec. 583 (14)) as reads: 'estimates shall be submitted specifically for all personal services required permanently and entirely in the Bureau of Mines at Washington, District of Columbia, and previously paid from lump-sum or general appropriations'.

"(13) The proviso at the end of the fourth paragraph on page 312 of volume 37 of the Statutes at Large, in the Act of August 17, 1912 (U. S. C., title 31, sec. 583 (15)).

"(14) The third paragraph appearing on page 1062 of volume 32 of the Statutes at Large, in the Act of March 3, 1903 (U. S. C., title 31, sec. 583 (16)).

"(15) So much of section 12 of the Act of June 26, 1906 (34 Stat. 480; U. S. C., title 31, sec. 583 (18)), as reads: 'and he shall annually submit to Congress estimates to cover the cost of the establishment and maintenance of fish hatcheries in Alaska, the salaries and actual traveling expenses of such officials, and for such other expenditures as may be necessary to carry out the provisions of this Act'.

"(16) The proviso at the end of the first full paragraph on page 456 of volume 32 of the Statutes at Large, in the Act of June 28, 1902 (U. S. C., title 31, sec. 583 (20)).

"(17) The second full paragraph on page 811 of volume 33 of the Statutes at Large, in the Act of March 3, 1915 (U. S. C., title 31, sec. 583 (21)).

"(18) The fourth full paragraph on page 2 of volume 38 of the Statutes at Large, in the Act of May 1, 1913 (U. S. C., title 31, sec. 583 (22)).

"(19) The proviso at the end of the second paragraph under the heading 'Bureau of Immigration and Naturalization' of the Act of March 4, 1907 (34 Stat. 1329, 1330; U. S. C., title 31, sec. 583 (23)).

"(20) The second full paragraph on page 374 of volume 35 of the Statutes at Large, in the Act of May 27, 1908 (U. S. C., title 31, sec. 583 (25)).

"(21) So much of the last paragraph on page 396 of volume 37 of the Statutes at Large, in the Act of August 23, 1912 (U. S. C., title 31, sec. 583 (26)), as reads: 'For the fiscal year nineteen hundred and fourteen and annually thereafter estimates in detail shall be submitted for all personal services required in the Indian Office'.

"(22) The proviso at the end of the first full paragraph on page 646 of volume 41 of the Statutes at Large, in the Act of May 29, 1920 (U. S. C., title 31, sec. 584).

"(23) Section 3660 of the Revised Statutes (U. S. C., title 31, sec. 585).

"(24) Section 4 of the Act of June 22, 1906 (34 Stat. 448; U. S. C., title 31, sec. 586).

"(25) Section 4 of the Act of March 4, 1903 (35 Stat. 907; U. S. C., title 31, sec. 587).

"(26) Section 2 of the Act of June 30, 1906 (34 Stat. 762; U. S. C., title 31, sec. 588); and the proviso in the first paragraph on page 1367 of volume 34 of the Statutes at Large, in the Act of March 4, 1907 (U. S. C., title 31, sec. 588).

"(27) Section 3661, as amended, of the Revised Statutes (U. S. C., title 31, sec. 589).

"(28) So much of the first paragraph on page 255 of volume 24 of the Statutes at Large, in the Act of August 4, 1886 (U. S. C.,

title 31, sec. 590), as reads: "Provided further, That all printing and engraving for the Geological Survey, the Coast and Geodetic Survey, the Hydrographic Office of the Navy Department, and the Signal Service shall hereafter be estimated for separately and in detail, and appropriated for separately for each of said bureaus".

"(29) Section 3662 of the Revised Statutes (U. S. C., title 31, sec. 591).

"(30) Section 3663 of the Revised Statutes, as amended (U. S. C., title 31, sec. 594).

"(31) Section 3664 of the Revised Statutes (U. S. C., title 31, sec. 597).

"(32) Section 3665 of the Revised Statutes (U. S. C., title 31, sec. 598).

"(33) The second paragraph under the heading 'Revenue-Cutter Service' in the Act of March 2, 1889 (25 Stat. 907; U. S. C., title 31, sec. 600).

"(34) So much of the second full paragraph on page 512 of volume 24 of the Statutes at Large, in the Act of March 3, 1887 (U. S. C., title 31, sec. 601), as reads: 'That the Secretary of the Treasury shall for the fiscal year eighteen hundred and eighty-seven, and for each fiscal year thereafter in the annual estimates, report to Congress the number of persons employed outside of the District of Columbia, as superintendents, clerks, watchmen and otherwise, and paid from appropriations for the construction of public buildings showing where said persons are employed, in what capacity, the length of time and at what rate of compensation.'

"(35) So much of the sixth full paragraph on page 374 of volume 26 of the Statutes at Large, in the Act of August 30, 1890 (U. S. C., title 31, sec. 601) as reads: "and hereafter the Secretary of the Treasury shall annually report to Congress in the book of estimates a statement of the expenditure of the appropriation for "repairs and preservation of public buildings" which shall show the amount expended on each public building and the number of persons employed and paid salaries from such appropriations'.

"(36) So much of section 1317 of the Revenue Act of 1921 (42 Stat. 314; U. S. C., title 31, sec. 602) as reads: "and the Secretary of the Treasury shall submit for the fiscal year 1921, and annually thereafter, an estimate of appropriations to refund and pay back duties or taxes erroneously or illegally assessed or collected under the internal-revenue laws, and to pay judgments, including interests and costs, rendered for taxes or penalties erroneously or illegally assessed or collected under the internal-revenue laws."

"(37) The first paragraph on page 133 of volume 22 of the Statutes at Large, in the Act of July 1, 1882 (U. S. C., title 31, sec. 603).

"(38) The eighth paragraph under the heading 'Foreign Intercourse' of the Act of May 3, 1905 (33 Stat. 1214; U. S. C., title 31, sec. 603).

"(39) The last paragraph on page 48 of volume 30 of the Statutes at Large, in the Act of June 4, 1897 (U. S. C., title 31, sec. 604).

"(40) The eighth paragraph under the heading 'Under the Engineer Department' of the Act of February 13, 1913 (37 Stat. 671; U. S. C., title 31, sec. 605).

"(41) The sixth paragraph under the heading 'Fortifications in Insular Possessions' of the Act of March 3, 1905 (33 Stat. 847; U. S. C., title 31, sec. 606).

"(42) So much of the first section of the Act of August 4, 1886 (24 Stat. 246; U. S. C., title 31, sec. 607), as reads: 'the estimates for the Army and Navy hospital service shall be submitted as a part of the military establishment'.

"(43) The first full paragraph on page 117 of volume 31 of the Statutes at Large, in the Act of April 17, 1900 (U. S. C., title 31, sec. 609).

"(44) Section 3668 of the Revised Statutes (U. S. C., title 31, sec. 610).

"(45) So much of the first paragraph on page 357 of volume 20 of the Statutes at

Large, in the Act of March 3, 1879 (U. S. C., title 31, sec. 611), as reads: "Provided, That hereafter, in making his estimates for railway mail service the Postmaster General shall separate the estimate for postal-car service from the general estimates; and in case any increase or diminution of service by postal cars shall be made by him, the reasons therefor shall be given in his annual report next succeeding such increase or diminution'.

"(46) So much of the first paragraph under the heading 'United States Geological Survey' in the Act of March 3, 1887 (24 Stat. 527; U. S. C., title 31, sec. 612), as reads: "and hereafter the estimates for the Geological Survey shall be itemized'.

"(47) The first paragraph on page 455 of volume 32 of the Statutes at Large, in the Act of June 28, 1902 (U. S. C., title 31, sec. 612).

"(48) Section 4 of the Act of August 15, 1876 (19 Stat. 200; U. S. C., title 31, sec. 613).

"(49) The fourth paragraph of section 26 of the Act of June 30, 1913 (38 Stat. 103; U. S. C., title 31, sec. 613).

"(50) The eighth full paragraph on page 1421 of volume 36 of the Statutes at Large, in the Act of March 4, 1911 (U. S. C., title 31, sec. 614).

"(51) The eighth full paragraph on page 1206 of volume 33 of the Statutes at Large, in the Act of March 3, 1905 (U. S. C., title 31, sec. 615).

"(52) The fourth full paragraph under the heading 'Government in the Territories' of the Act of July 16, 1914 (38 Stat. 479; U. S. C., title 31, sec. 616).

"(53) The first full paragraph on page 492 of volume 39 of the Statutes at Large, in the Act of August 11, 1916 (U. S. C., title 31, sec. 617).

"(54) The proviso in the first paragraph under the heading 'Rent in the District of Columbia' of the Act of March 4, 1915 (38 Stat. 1108; U. S. C., title 31, sec. 617).

"(55) The seventh paragraph on page 433 of volume 32 of the Statutes at Large, in the Act of June 28, 1902 (U. S. C., title 31, sec. 618).

"(56) The ninth full paragraph on page 755 of volume 36 of the Statutes at Large, in the Act of June 25, 1910 (U. S. C., title 31, sec. 618).

"(57) The fourth full paragraph on page 362 of volume 27 of the Statutes at Large, in the Act of August 5, 1892 (U. S. C., title 31, sec. 619).

"(58) The first full paragraph on page 764 of volume 36 of the Statutes at Large, in the Act of June 25, 1910 (U. S. C., title 31, sec. 620).

"(59) Section 6 of the act of August 1, 1914 (38 Stat. 679; U. S. C., title 31, sec. 621).

"(60) The last full sentence in the first paragraph on page 254 of volume 23 of the Statutes at Large, in the Act of July 7, 1884 (U. S. C., title 31, sec. 622).

"(61) Section 5 of the Act of June 30, 1906 (34 Stat. 763; U. S. C., title 31, sec. 626).

"(62) The proviso at the end of the first paragraph on page 579 of volume 37 of the Statutes at Large, in the Act of August 24, 1912 (U. S. C., title 31, sec. 626).

"(63) Section 7, as amended, of the Act of August 26, 1912 (37 Stat. 626; 37 Stat. 790; U. S. C., title 31, sec. 629).

"(64) The fourth full paragraph on page 854 of volume 37 of the Statutes at Large, in the Act of March 4, 1913 (U. S. C., title 31, sec. 630).

"(65) The proviso at the end of the seventh paragraph on page 1030 of volume 31 of the Statutes at Large, in the Act of March 3, 1901 (U. S. C., title 31, sec. 633).

"(66) The second paragraph under the heading 'Contingent, Bureau of Ordnance' of the Act of July 12, 1921 (42 Stat. 128; U. S. C., title 31, sec. 636), down through the first proviso therein.

"(67) So much of the third paragraph under the heading 'Contingent Expenses, Navy Department' of the Act of June 22, 1906 (34 Stat. 427; U. S. C., title 31, sec. 637), as reads: 'and hereafter it shall not be lawful to expend, for any of the offices or bureaus of the Navy Department at Washington, any sum out of appropriations made for the naval establishment for any of the purposes mentioned or authorized in the said foregoing paragraph'.

"(68) So much of the paragraph under the heading 'Increase of the Navy, Equipment' of the Act of March 3, 1915 (38 Stat. 952; U. S. C., title 31, sec. 648), as reads: 'and beginning with July first, nineteen hundred and fifteen, equipment outfits shall be charged to appropriation "Increase of the Navy, Construction and Machinery"'.

"(69) The two provisos in the paragraph under the heading 'Fuel and Transportation' of the Act of March 3, 1915 (38 Stat. 944; U. S. C., title 31, sec. 649).

"(70) The proviso in the tenth paragraph on page 236 of volume 28 of the Statutes at Large, in the Act of August 6, 1894 (U. S. C., title 31, sec. 650).

"(71) The fourth full paragraph on page 1175 of volume 34 of the Statutes at Large, in the Act of March 2, 1907 (U. S. C., title 31, sec. 655).

"(72) So much of the first full paragraph on page 1391 of volume 42 of the Statutes at Large, in the Act of March 2, 1923 (U. S. C., title 31, sec. 656), as reads: 'and the Budget estimates for each of such appropriations shall hereafter carry separately the amounts required for such transportation costs'.

"(73) The proviso in the seventh full paragraph on page 520 of volume 32 of the Statutes at Large, in the Act of June 30, 1902 (U. S. C., title 31, sec. 657).

"(74) The proviso in lines 2 through 8 on page 710 of volume 36 of the Statutes at Large, in the Act of June 25, 1910 (U. S. C., title 31, sec. 664).

"(75) Section 3682 of the Revised Statutes (U. S. C., title 31, sec. 674).

"(76) Section 3683 of the Revised Statutes (U. S. C., title 31, sec. 675).

"(77) The second full paragraph on page 1303 of volume 41 of the Statutes at Large, in the Act of March 3, 1921 (U. S. C., title 31, sec. 676).

"(78) The proviso in lines 7 through 17 on page 203 of volume 20 of the Statutes at Large, in the Act of June 19, 1878 (U. S. C., title 31, sec. 677).

"(79) Section 3684 of the Revised Statutes (U. S. C., title 31, sec. 681).

"(80) Section 6 of the Act of May 30, 1908 (U. S. C., title 31, sec. 683).

"(81) So much of the paragraph under the heading 'Pay of Assistant Custodians and Janitors' on pages 1153 and 1154 of volume 31 of the Statutes at Large, in the Act of March 3, 1901 (U. S. C., title 31, sec. 684), as reads: 'and hereafter no other fund appropriated shall be used for this service'.

"(82) The second paragraph under the heading 'United States Commerce Court' of the Act of March 4, 1911 (36 Stat. 1234; U. S. C., title 31, sec. 687).

"(83) Section 26 of the Act of June 30, 1913 (38 Stat. 103; U. S. C., title 31, sec. 688).

"(84) Section 400 of the Second Deficiency Appropriation Act, 1947 (U. S. C., title 31, sec. 694).

"(85) Section 607 of the Act of June 30, 1945, as amended (59 Stat. 304; U. S. C., title 5, sec. 947).

"(86) Section 3 of the Act of March 3, 1875, as amended (18 Stat. 370; U. S. C., title 31, sec. 624).

"(87) So much of the Act of March 26, 1934, as amended (48 Stat. 466; U. S. C., title 5, sec. 118c), as reads: 'with the Budget estimates'.

"(88) So much of the paragraph under the heading 'Department of State' in the

Act of August 5, 1909 (36 Stat. 119; U. S. C., title 5, sec. 157), as reads: 'and estimates for further appropriations hereunder shall include in detail salaries for all persons to be employed and paid in the Department of State at Washington, District of Columbia'.

"(89) The last proviso under the head 'Working Capital Fund' in the Act of July 12, 1943 (57 Stat. 393; U. S. C., title 5, sec. 558a).

"(90) So much of section 17 of the Act of May 22, 1920, as amended (41 Stat. 620; U. S. C., title 5, sec. 730), as reads: 'annually to the Bureau of the Budget'.

"(91) Section 31 of the Act of September 7, 1916, as amended (39 Stat. 749; U. S. C., title 5, sec. 782).

"(92) The last sentence of section 35 of the Act of September 7, 1916, as amended (39 Stat. 749; U. S. C., title 5, sec. 785).

"(93) So much of section I of the Act of October 1, 1890 (26 Stat. 653; U. S. C., title 10, sec. 214), as reads: 'and the Signal Corps of the Army shall remain a part of the Military Establishment under the direction of the Secretary of War, and all estimates for its support shall be included with other estimates for the support of the Military Establishment'.

"(94) The last proviso of section 4 of the Act of March 12, 1926 (44 Stat. 206; U. S. C., title 10, sec. 1597).

"(95) So much of section 1 of the Act of June 12, 1917, as amended (40 Stat. 153; U. S. C., title 16, sec. 452), as reads: 'and the Secretary of the Interior is directed to submit, for the fiscal year nineteen hundred and nineteen and annually thereafter, estimates of the amounts required for the care, maintenance, and development of the said parks.'

"(96) So much of section 1 of the act of July 24, 1876, as amended (19 Stat. 99; U. S. C., title 24, sec. 278), as requires estimates for the care and maintenance of the national military cemeteries to be submitted annually by the Director of the National Park Service.

"(97) So much of section 1 of the Act of January 24, 1923 (42 Stat. 1208; U. S. C., title 31, sec. 12), as reads: 'The aggregate of all estimates of appropriations from the "reclamation fund" contained in the Budget for any fiscal year shall be included in the totals of the Budget for that year.'

"(98) The second paragraph under the heading 'Pay, Miscellaneous' of the Act of March 3, 1909 (35 Stat. 754; U. S. C., title 31, sec. 609a).

"(99) The third paragraph under the heading 'Office of the Fourth Assistant Postmaster General' of the Act of June 9, 1896 (29 Stat. 316; U. S. C., title 31, sec. 610a).

"(100) The last proviso under the heading 'National Home for Disabled Volunteer Soldiers' of the Act of October 2, 1883, as amended (25 Stat. 543; U. S. C., title 31, sec. 719).

"(101) Section 119 of the Act of June 3, 1916 (39 Stat. 213; U. S. C., title 32, sec. 25).

"(102) So much of the fourth full paragraph on page 558 of volume 39 of the Statutes at Large in the Act of August 29, 1916 (U. S. C., title 34, sec. 504), as reads: 'and the Secretary of the Navy shall each year, in the annual estimates, report to Congress the number of persons so employed, their duties, and the amount paid to each'.

"(103) The last proviso in the third paragraph on page 377 of volume 37 of the Statutes at Large in the Act of August 23, 1912 (U. S. C., title 39, sec. 769).

"(104) Section 27 of the Act of January 12, 1895, as amended (28 Stat. 604; U. S. C., title 44, sec. 37).

"(105) The eighth full paragraph on page 382 of volume 35 of the Statutes at Large in the Act of May 27, 1908 (U. S. C., title 44, sec. 37).

"(106) The last paragraph under the heading 'Government in the Territories' in the

Act of June 20, 1874 (18 Stat. 99; U. S. C., title 48, sec. 1456).

"SAVING PROVISIONS

"SEC. 302. (a) The omission of any provision of law from the provisions of law repealed under section 301 shall not be construed as limiting the application of section 201 or 216 of the Budget and Accounting Act, 1921, as amended, or the powers of the President thereunder, or as evidencing an intent that such provision was not to be superseded by such sections.

"(b) Whenever any law authorizes expenditures for a particular object or purpose to be made from an appropriation item referred to in such law by the specific title theretofore used for that appropriation item in the appropriation Act concerned, and thereafter such title is changed or is eliminated from such appropriation Act, expenditures for such object or purpose thereafter may be made from any corresponding appropriation item.

"(c) Except where authority for performance of a function is specifically repealed in section 301, none of the provisions of such section shall be construed as affecting the jurisdiction or responsibility of any agency or officer of the Government over any function or organizational unit referred to in such section.

"(d) Existing laws, policies, procedures, and directives pertaining to functions covered by this Act, and not inconsistent herewith or repealed hereby, shall remain in full force and effect unless and until superseded, or except as they may be amended, under the authority of this Act or under other appropriate authority."

And the Senate agree to the same.

WM. L. DAWSON,
CHET HOLIFIELD,
FRANK M. KARTEN,
CLARE E. HOFFMAN,
HAROLD O. LOVRE,

Managers on the Part of the House.

JOHN L. MCCLELLAN,
CLYDE R. HOYE,
EUBERT H. HUMPHREY,
KARL E. MUNDT,
ANDREW F. SCHROEPFEL,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9038) to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate struck out all of the House bill after the enacting clause and inserted a substitute text. The House recedes from its disagreement to the Senate amendment with an amendment which is a substitute for both the House bill and the Senate amendment. Except for technical and minor drafting changes, the differences between the House bill, the Senate amendment, and the conference substitute are explained below.

Section 101 of the House bill added to section 2 of the Budget and Accounting Act, 1921, language which defines the term "appropriations" to include, wherever appropriate, funds and authorizations to create obligations by contract in advance of appropriations. The Senate amendment added to such definition the words "or any other authority making funds available for obligation or expenditure" in order to broaden the scope of the term "appropriations" and make it

more inclusive. The conference substitute retains the language added by the Senate amendment.

In retaining the language of the Senate amendment, the committee wishes to make it clear that it is not intended to change the form of the estimates now submitted for wholly owned Government corporations under the Government Corporation Control Act, or to affect the Federal Deposit Insurance Corporation or its funds. The funds of the Federal Deposit Insurance Corporation are received from assessments on insured banks and are used only for the purposes of deposit insurance. These funds have never been under the Budget and Accounting Act for the reason that they are not Government moneys or appropriations and there was no intention of including such funds in this amendment.

Section 102 of the House bill amended section 201 of the Budget and Accounting Act, 1921, to provide that the Budget shall set forth, among other things, in form and detail determined by the President, the functions and activities of the Government. The Senate amendment added the words "constituting a performance budget" as a description of the resulting form of the Budget. The matter of submission of the Budget on the basis of functions and activities does not depend upon the words added by the Senate amendment but upon the specific requirement to that effect included in both the House bill and the Senate amendment that functions and activities be shown. Therefore the words "constituting a performance budget" have been eliminated as surplusage from the conference substitute, since these additional words might in the future be given a restrictive construction not intended.

The House bill contains a provision in section 102 (c) amending subsection 204 (b) of the Budget and Accounting Act, 1921, to insure that the so-called "green sheets," giving information as to personal service and other objects of expenditure, would accompany the Budget. The House provision with respect to waiver or modification of the requirements of such subsection would permit the green sheet procedure to be dispensed with in whole or in part if the appropriations committees jointly should find such action desirable. The Senate amendment contained no comparable provision. The conference substitute adopts the House provision.

Section 103 of the Senate amendment gave authority to the head of each department and establishment in the executive branch of the Government to make certain transfers and adjustments between appropriations within his department or establishment during a transitory period of two fiscal years following the date of enactment in order to reflect the financial requirements of the functions and activities of the department or establishment. The House bill contained no comparable provision. The conference substitute eliminates this provision of the Senate amendment.

Section 201 of the Senate amendment gives the head of each department and establishment in the executive branch of the Government the authority to make transfers and adjustments between appropriations within his department or establishment with the approval of the President. No appropriation may be increased or decreased by more than 5 percent during any fiscal year by reason of such transfer or adjustment. Section 201 would take effect after the end of the second full fiscal year following the date of enactment and would give the head of each department and establishment administrative flexibility in promoting economy and efficiency in the operation of his department and would tend to decrease the need for sup-

plemental and deficiency appropriations. To avoid abuse, reports on such transfers, with reasons therefor, are to be made currently to the President and to the Congress and are to be summarized annually in the Budget. The House bill contained no comparable provision. The conference substitute retains section 201 of the Senate amendment.

Section 203 of the Senate amendment provided for reserves to be established, and modified from time to time, against appropriations when the President determines the purposes of the Congress could be accomplished with lesser expenditures. The House bill contained no comparable provision. In view of the similar and more general authority provided in section 1111 of the General Appropriation Act, 1951, as passed by both Houses, the conference substitute eliminates section 203 as unnecessary.

WM. L. DAWSON,
CHET HOLIFIELD,
FRANK M. KARSTEN,
CLARE E. HOFFMAN,
HAROLD O. LOVRE,

Managers on the Part of the House.

ST. MARK'S, FLA.

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8028) to authorize the Secretary of the Interior to dispose of remaining Government lots in the townsite of St. Mark's, Fla., with a Senate amendment, disagree to the Senate amendment and ask for a conference.

The SPEAKER. Is there objection to the request of the gentleman from Florida? [After a pause] The Chair hears none and appoints the following conferees: Messrs. PETERSON, MURDOCK, and D'EWART.

PERMISSION TO ADDRESS THE HOUSE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

BOSTON NAVAL SHIPYARD

Mr. McCORMACK. Mr. Speaker, today is the one hundred and fiftieth anniversary of the establishment of the Boston Naval Shipyard at Boston, Mass. This splendid occasion is a reminder to us that the security of a nation is not entirely a matter of having troops and tanks on the firing line, airplanes soaring through the skies, and ships plowing the seas. Immediately behind all these combatant activities there must be the effective functioning of yards and arsenals and airplane factories, and the loyalties and skills of many crafts built up through the years of peace. And behind these, of course, the whole industrial might and human resources of a nation. The fighting knight in his armor is more dramatic and spectacular, but where would the knight be without his armorer to forge sword and mail?

In a way I suppose this dependence of the actual fighter on the scientist and the machinist has always been recognized, though in these days of total war the picture may be more pronounced. Certainly it was a long time ago that

here in this spot, in the shadow of Bunker Hill, the authorities of our Nation, then in its infancy, set up this institution for the safeguarding of the Republic. And I am happy today to call attention to and celebrate the glorious record of all that has been done at the Boston Naval Shipyard, through a century and a half of service to "the Navy and the Nation."

The most striking development, because it, in a manner of speaking, meets the eye, are the physical developments which have taken place here. The first buildings were simple wooden sheds to house Navy material which had been stored in various locations around Boston. Now you have this tremendous congeries of buildings. The first call for workers stipulated "8 or 10 able-bodied men to be employed by the month"; now there are some 8,000 continuously employed. The daily wage of a civilian employee was \$1.75 a day in the early years; now it may be 10 times as much. The first power plant seems to have been the strong hearts and powerful muscles of a yoke of oxen, and the first job known to have been done here was one of engine care—that is, shoeing the feet of the team of oxen. The land here—23 acres on Moultons Point—was already historic because of its connection with the Battle of Bunker Hill; it was spacious enough to hold timber for a 74-gun ship; and its price was admittedly high—some \$18,000. Now the establishment is valued at \$108,000,000.

All these things are externals. Growth and size and monetary values are only important when they stand for service to mankind. And this institution, so sturdy in its growth, has a brilliant record through 150 years of always being ready for the emergencies it was built to meet.

The story begins, perhaps with that glorious vessel the *Constitution*. She was not built here, to be sure, but at Hart's Yard, the predecessor of this shipyard, in the years immediately preceding the establishment of this institution. After cruising against French privateers at the time the shipyard here was founded, and gaining already her nickname of Old Ironsides for her exploits in the West Indies, she was brought here in 1801 and lay for 2 years dismantled. Again putting to sea, she brought victory in the war with Tripoli. Rigged once more, she set out on her career in the War of 1812. After many more years, this, the most famous ship which ever carried the American flag, was brought home once more to Boston and still remains as a crowning testimony to the valor of our ancient seaman and the skill of our ancient shipbuilders.

It would not be possible to recapitulate the full story of the famous ships that have been built here or rigged here or repaired here. The first was the *Frolic*, launched in 1813 to serve in the War of 1812. The *Hartford*, dauntless Admiral Farragut's flagship in the Civil War, was built here. So also was the *Merrimac*, which was captured by the Confederates, and sheathed in iron, which led to the

great battle with the *Monitor* in Hampton Roads, and opened the era of the iron-clad and later the steel-walled battleship. Altogether, 39 ships were built in this shipyard from 1813 to 1868, and many hundreds were repaired and outfitted. Between 1869 and 1933 nine more ships were constructed, but the yard specialized in repairing and outfitting vessels.

In the period of the First World War, 1917-18, because of its proximity to the North Atlantic patrol, there was a major load of repair work, but the yard also served as an embarkation point and supply depot. Additional piers and buildings were added. An average of 50 ships arrived or departed daily. There were 50,000 employees. In the years that followed, partly because of inventions of yard employees, the standard Navy chain began to be made here, and chains are now made for the needs of the entire Navy. All the rope used by the peacetime Navy is also made here.

The yard became involved in the Second World War before the Nation as a whole when President Roosevelt, in a historic decision, offered the British 50 over-age destroyers in return for certain bases. This is regarded by historians as one of the most significant acts of the whole period. Nineteen of the destroyers were reactivated and outfitted here. At the same time a destroyer-building program was set up and notable combat vessels of that type were sent from here to serve our cause in both the Pacific and the Atlantic. More than 165 vessels of considerable size were built for the United States and our Allies, and hundreds of smaller craft. Thousands of vessels were repaired. Boston-built ships took part in every major campaign of the war.

In times of emergency the yard has been prepared to aid the welfare of civilians. The yard's disaster plan was successful in supplying electric power to Maine in 1947, and in fighting New England forest fires. The personnel of the yard has always contributed heavily to community welfare. Employees bought nearly a million and a half dollars' worth of war bonds in the last wartime drive and contributed over 55,000 pints of blood to the Red Cross blood bank.

The yard has always meant much to Boston, both economically and psychologically. We are proud of it, and we have benefited by its presence, but we believe too that the yard, and the United States Navy, have been benefited by Boston. There is, and has always been for 150 years a very happy relationship between the two.

Most important of all is the service which the yard, and citizens of Boston, has been enabled to render together to our Nation. As we look around us today, there are dark clouds of imminent war rolling on every horizon. The inestimable services which the officers and employees here in this establishment have rendered in the past may have to be repeated and enlarged in the future. The Secretary of State said the other day that this country is now facing the gravest crisis in its entire history. If this

crisis ripens into broad-scale international war we know that the Navy (which not so long ago was beginning to be regarded by some too-knowing persons as more or less obsolete, an illusion which the Korean crisis has quickly dispelled) will again fill its magnificent role as a major line of defense of the United States, and that the Boston Naval Shipyard and its officers and employees will, as before, play a large and sustaining role in the service of the Navy and of the Nation.

INTER-AMERICAN CULTURAL AND TRADE CENTER

Mr. SIKES. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 511, providing for the recognition and the endorsement of the Inter-American Cultural and Trade Center.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. MARTIN. Mr. Speaker, reserving the right to object, will the gentleman explain the resolution?

Mr. SIKES. I shall be very glad to. This resolution simply provides for the recognition and the endorsement of the Inter-American Cultural and Trade Center to be established at Miami at no expense to the Federal Government. All costs are to be borne by the State of Florida and by the city of Miami.

Mr. MARTIN of Massachusetts. We have had several similar resolutions.

Mr. SIKES. That is correct.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Clerk read the resolution, as follows:

Whereas the national security and prosperity of the United States require the development of improved relations and increased trade with the Latin-American republics; and

Whereas international friendship and trade are founded upon the good will and mutual respect of the people of one nation for those of another, and must be based primarily upon extensive popular contact and understanding; and

Whereas the natural expansion of our trade with Latin America, without subsidy or compulsion, will sustain employment and production and improve living standards both in the United States and in Latin America, preventing the infiltration of undemocratic philosophies in Latin America while promoting mutual good will, understanding, and confidence, lasting trade connections, and solidarity among all the American republics; and

Whereas any constructive long-range program for the development of a balanced foreign trade with Latin America must provide ample opportunity for the participation of small businesses, together with adequate merchandising facilities for their products and their representatives; and

Whereas there is a compelling need for the establishment of a trade center which will aid in carrying out these objectives and which will provide an opportunity to bring together large numbers of people from all the American Republics and give recognition to their respective cultural, scientific, and artistic achievements; and

Whereas during the past quarter century outstanding statesmen, industrialists, and

internationalists have frequently urged the establishment of such a trade center; and

Whereas the city of Miami, Fla., is the most suitable location for such a trade center, because it is the natural gateway of the United States to Latin America and possesses the additional advantages of moderate climate, ample hotel and recreational facilities, and long acquaintance with the people of Latin America; and

Whereas the State of Florida and the city of Miami will donate lands and money to be used in the construction of such a trade center, and the establishment of the center at Miami has been specifically and unanimously endorsed by groups and organizations from every field of endeavor; and

Whereas a large group of leaders in government, industry, finance, and civic affairs, assisted for 7 months by carefully selected technicians, has prepared a comprehensive plan for the establishment of the Inter-American Cultural and Trade Center in Miami, to be operated in the national public interest as a permanent nonprofit self-sustaining enterprise: Therefore be it

Resolved, etc., That the Congress hereby expresses its endorsement of the establishment of the Inter-American Cultural and Trade Center in Miami as a permanent year-round nonprofit self-sustaining enterprise for the development of improved relations and increased trade with the republics of Latin America. The President is authorized and requested, by proclamation or in such other manner as he may deem proper, to grant recognition to the Inter-American Cultural and Trade Center in Miami, calling upon officials and agencies of the Government to assist and cooperate with such center, and inviting the participation of all the nations of the Western Hemisphere therein.

The joint resolution was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

JOHN W. MAHONEY ET AL.

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3674) for the relief of John W. Mahoney, Charles Sorenson, Charles A. Stewart, and Stanley Thiffault, with Senate amendments thereto, and concur in the Senate amendments.

ANNOUNCEMENT

The SPEAKER. The Chair may say to the gentleman from New York, and take this opportunity also to say to all Members, that when Members have matters with reference to calling up House bills with Senate amendments and other matters about bills, the Chair would appreciate it very much if they would speak to him about it in advance.

JOHN W. MAHONEY ET AL.

The Clerk read the title of the bill and the Senate amendments, as follows:

Page 2, line 5, strike out "\$600" and insert "\$500."

Page 2, line 8, strike out "\$400" and insert "\$312."

Page 2, line 10, strike out "\$300" and insert "\$279.42."

Page 2, line 13, strike out "\$1,200" and insert "\$800."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

HAROLD E. TRAUTWEIN

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1586) for the relief of Harold E. Trautwein, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 6, strike out "\$105.07" and insert "\$106.07."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

JOHN S. STEBER

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3919) for the relief of John S. Steber, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 8, after "act", insert "Provided, That no benefits shall accrue by reason of the enactment of this act for any period of time prior to the date of its enactment."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

PATRICIA JOYCE DUNN, A MINOR

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4221) for the relief of the legal guardian of Patricia Joyce Dunn, a minor, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the amendments, as follows:

Page 1, lines 5 and 6, strike out "to the legal guardian of Patricia Joyce Dunn, a minor" and insert "to Patricia Joyce Dunn."

Page 1, line 9, strike out "the father of said minor" and insert "her father."

Amend the title so as to read: "An act for the relief of Patricia Joyce Dunn."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

UNIVERSAL CORP. ET AL.

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6095) for the relief of Universal Corp., James Stewart Corp., and James Stewart & Co.,



BUDGET AND ACCOUNTING PROCEDURES ACT OF 1950

AUGUST 30, 1950.—Ordered to be printed

Mr. DAWSON, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 9038]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9038) entitled "An act to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *That this Act may be cited as the "Budget and Accounting Procedures Act of 1950"*.

TITLE I—BUDGETING AND ACCOUNTING

PART I—BUDGETING

SEC. 101. Section 2 of the Budget and Accounting Act, 1921 (42 Stat. 20), is amended by adding at the end thereof the following:

"The term 'appropriations' includes, in appropriate context, funds and authorizations to create obligations by contract in advance of appropriations, or any other authority making funds available for obligation or expenditure."

SEC. 102. (a) Section 201 of such Act is amended to read as follows:

"SEC. 201. The President shall transmit to Congress during the first fifteen days of each regular session the Budget, which shall set forth his Budget message, summary data and text, and supporting detail. The

Budget shall set forth in such form and detail as the President may determine—

“(a) functions and activities of the Government;

“(b) any other desirable classifications of data;

“(c) a reconciliation of the summary data on expenditures with proposed appropriations;

“(d) estimated expenditures and proposed appropriations necessary in his judgment for the support of the Government for the ensuing fiscal year, except that estimated expenditures and proposed appropriations for such year for the legislative branch of the Government and the Supreme Court of the United States shall be transmitted to the President on or before October 15 of each year, and shall be included by him in the Budget without revision;

“(e) estimated receipts of the Government during the ensuing fiscal year, under (1) laws existing at the time the Budget is transmitted and also (2) under the revenue proposals, if any, contained in the Budget;

“(f) actual appropriations, expenditures, and receipts of the Government during the last completed fiscal year;

“(g) estimated expenditures and receipts, and actual or proposed appropriations of the Government during the fiscal year in progress;

“(h) balanced statements of (1) the condition of the Treasury at the end of the last completed fiscal year, (2) the estimated condition of the Treasury at the end of the fiscal year in progress, and (3) the estimated condition of the Treasury at the end of the ensuing fiscal year if the financial proposals contained in the Budget are adopted;

“(i) all essential facts regarding the bonded and other indebtedness of the Government; and

“(j) such other financial statements and data as in his opinion are necessary or desirable in order to make known in all practicable detail the financial condition of the Government.”

(b) Section 203 of such Act is amended to read as follows:

“SEC. 203. (a) The President from time to time may transmit to Congress such proposed supplemental or deficiency appropriations as in his judgment (1) are necessary on account of laws enacted after the transmission of the Budget, or (2) are otherwise in the public interest. He shall accompany such proposals with a statement of the reasons therefor, including the reasons for their omission from the Budget.

“(b) Whenever such proposed supplemental or deficiency appropriations reach an aggregate which, if they had been contained in the Budget, would have required the President to make a recommendation under subsection (a) of section 202, he shall thereupon make such recommendation.”

(c) Section 204 of such Act is amended to read as follows:

“SEC. 204. (a) Except as otherwise provided in this Act, the contents, order, and arrangement of the proposed appropriations and the statements of expenditures and estimated expenditures contained in the Budget or transmitted under section 203, and the notes and other data submitted therewith, shall conform to requirements prescribed by the President.

“(b) The Budget, and statements furnished with any proposed supplemental or deficiency appropriations, shall be accompanied by information as to personal services and other objects of expenditure in the same manner and form as in the Budget for the fiscal year 1950: Provided, That this requirement may be waived or modified, either generally or in

specific cases, by joint action of the committees of Congress having jurisdiction over appropriation: And provided further, That nothing in this Act shall be construed to limit the authority of committees of Congress to request and receive such information in such form as they may desire in consideration of and action upon budget estimates."

(d) Section 205 of such Act is amended to read as follows:

"SEC. 205. Whenever any basic change is made in the form of the Budget, the President, in addition to the Budget, shall transmit to Congress such explanatory notes and tables as may be necessary to show where the various items embraced in the Budget of the prior year are contained in the new Budget."

(e) The last sentence of section 207 of such Act is amended to read as follows: "The Bureau, under such rules and regulations as the President may prescribe, shall prepare the Budget, and any proposed supplemental or deficiency appropriations, and to this end shall have authority to assemble, correlate, revise, reduce, or increase the requests for appropriations of the several departments or establishments."

(f) Section 214 of such Act is amended to read as follows:

"SEC. 214. The head of each department and establishment shall prepare or cause to be prepared in each year his requests for regular, supplemental, or deficiency appropriations."

(g) Section 215 of such Act is amended to read as follows:

"SEC. 215. The head of each department and establishment shall submit his requests for appropriations to the Bureau on or before a date which the President shall determine. In case of his failure to do so, the President shall cause such requests to be prepared as are necessary to enable him to include such requests with the Budget in respect to the work of such department or establishment."

(h) Section 216 of such Act is amended to read as follows:

"SEC. 216. Requests for regular, supplemental, or deficiency appropriations which are submitted to the Bureau by the head of any department or establishment shall be prepared and submitted as the President may determine in accordance with the provisions of section 201."

GOVERNMENT STATISTICAL ACTIVITIES

SEC. 103. The President, through the Director of the Bureau of the Budget, is authorized and directed to develop programs and to issue regulations and orders for the improved gathering, compiling, analyzing, publishing, and disseminating of statistical information for any purpose by the various agencies in the executive branch of the Government. Such regulations and orders shall be adhered to by such agencies.

IMPROVED ADMINISTRATION OF EXECUTIVE AGENCIES

SEC. 104. The President, through the Director of the Bureau of the Budget, is authorized and directed to evaluate and develop improved plans for the organization, coordination, and management of the executive branch of the Government with a view to efficient and economical service.

BUSINESS-TYPE BUDGETS

SEC. 105. The first two sentences of section 102 of the Government Corporation Control Act of 1945 (59 Stat. 597), are amended to read as follows: "Each wholly owned Government corporation shall cause to be

prepared annually a business-type budget which shall be submitted to the Bureau of the Budget, under such rules and regulations as the President may establish as to the date of submission, the form and content, the classifications of data, and the manner in which such budget program shall be prepared and presented."

PART II—ACCOUNTING AND AUDITING

SHORT TITLE

SEC. 110. This part may be cited as the "Accounting and Auditing Act of 1950".

DECLARATION OF POLICY

SEC. 111. It is the policy of the Congress in enacting this part that—

(a) The accounting of the Government provide full disclosure of the results of financial operations, adequate financial information needed in the management of operations and the formulation and execution of the Budget, and effective control over income, expenditures, funds, property, and other assets.

(b) Full consideration be given to the needs and responsibilities of both the legislative and executive branches in the establishment of accounting and reporting systems and requirements.

(c) The maintenance of accounting systems and the producing of financial reports with respect to the operations of executive agencies, including central facilities for bringing together and disclosing information on the results of the financial operations of the Government as a whole, be the responsibility of the executive branch.

(d) The auditing for the Government, conducted by the Comptroller General of the United States as an agent of the Congress be directed at determining the extent to which accounting and related financial reporting fulfill the purposes specified, financial transactions have been consummated in accordance with laws, regulations or other legal requirements, and adequate internal financial control over operations is exercised, and afford an effective basis for the settlement of accounts of accountable officers.

(e) Emphasis be placed on effecting orderly improvements resulting in simplified and more effective accounting, financial reporting, budgeting, and auditing requirements and procedures and on the elimination of those which involve duplication or which do not serve a purpose commensurate with the costs involved.

(f) The Comptroller General of the United States, the Secretary of the Treasury, and the Director of the Bureau of the Budget conduct a continuous program for the improvement of accounting and financial reporting in the Government.

ACCOUNTING AND REPORTING PROVISIONS

SEC. 112. (a) The Comptroller General of the United States, after consulting the Secretary of the Treasury and the Director of the Bureau of the Budget concerning their accounting, financial reporting, and budgetary needs, and considering the needs of the other executive agencies, shall prescribe the principles, standards, and related requirements for accounting to be observed by each executive agency, including requirements for suitable integration between the accounting processes of each executive

agency and the accounting of the Treasury Department. Requirements prescribed by the Comptroller General shall be designed to permit the executive agencies to carry out their responsibilities under section 113 of this part, while providing a basis for integrated accounting for the Government, full disclosure of the results of the financial operations of each executive agency and the Government as a whole, and financial information and control necessary to enable the Congress and the President to discharge their respective responsibilities. The Comptroller General shall continue to exercise the authority vested in him by section 205 (b) of the Federal Property and Administrative Services Act of 1949 (63 Stat. 389) and, to the extent he deems necessary, the authority vested in him by section 309 of the Budget and Accounting Act, 1921 (42 Stat. 25). Any such exercise of authority shall be consistent with the provisions of this section.

(b) The General Accounting Office shall cooperate with the executive agencies in the development of their accounting systems, including the Treasury Department, in the development and establishment of the system of central accounting and reporting required by section 114 of this part. Such accounting systems shall be approved by the Comptroller General when deemed by him to be adequate and in conformity with the principles, standards, and related requirements prescribed by him.

(c) The General Accounting Office shall from time to time review the accounting systems of the executive agencies. The results of such reviews shall be available to the heads of the executive agencies concerned, to the Secretary of the Treasury, and to the Director of the Bureau of the Budget, and the Comptroller General shall make such reports thereon to the Congress as he deems proper.

SEC. 113. (a) The head of each executive agency shall establish and maintain systems of accounting and internal control designed to provide—

(1) full disclosure of the financial results of the agency's activities;

(2) adequate financial information needed for the agency's management purposes;

(3) effective control over and accountability for all funds, property, and other assets for which the agency is responsible, including appropriate internal audit;

(4) reliable accounting results to serve as the basis for preparation and support of the agency's budget requests, for controlling the execution of its budget, and for providing financial information required by the Bureau of the Budget under section 213 of the Budget and Accounting Act, 1921 (42 Stat. 23);

(5) suitable integration of the accounting of the agency with the accounting of the Treasury Department in connection with the central accounting and reporting responsibilities imposed on the Secretary of the Treasury by section 114 of this part.

(b) The accounting systems of executive agencies shall conform to the principles, standards, and related requirements prescribed by the Comptroller General pursuant to section 112 (a) of this part.

SEC. 114. (a) The Secretary of the Treasury shall prepare such reports for the information of the President, the Congress, and the public as will present the results of the financial operations of the Government: Provided, That there shall be included such financial data as the Director of the Bureau of the Budget may require in connection with the preparation of the Budget or for other purposes of the Bureau. Each executive agency shall furnish the Secretary of the Treasury such reports and information relating to its financial condition and operations as the Secretary, by rules and regulations, may require for the effective performance of his responsibilities under this section.

(b) *The Secretary of the Treasury is authorized to establish the facilities necessary to produce the financial reports required by subsection (a) of this section. The Secretary is further authorized to reorganize the accounting functions and install, revise, or eliminate accounting procedures and financial reports of the Treasury Department in order to develop effective and coordinated systems of accounting and financial reporting in the several bureaus and offices of the Department with such concentration of accounting and reporting as is necessary to accomplish integration of accounting results for the activities of the Department and provide the operating center for the consolidation of accounting results of other executive agencies with those of the Department. The authority vested in and the duties imposed upon the Department by sections 10, 15, and 22 of the Act entitled "An Act making appropriations for the legislative, executive, and judicial branches of the Government for the fiscal year ending June thirtieth, eighteen hundred ninety-five, and for other purposes", approved July 31, 1894 (28 Stat. 162, 208-210), may be exercised and performed by the Secretary of the Treasury as a part of his broader authority and duties under this section and in such a manner as to provide a unified system of central accounting and reporting on the most efficient and useful basis.*

(c) *The system of central accounting and reporting provided for herein shall be consistent with the principles, standards, and related requirements prescribed by the Comptroller General pursuant to section 112 of this part.*

SEC. 115. (a) *When the Secretary of the Treasury and the Comptroller General determine that existing procedures can be modified in the interest of simplification, improvement, or economy, with sufficient safeguards over the control and accounting for the public funds, they may issue joint regulations providing for the waiving, in whole or in part, of the requirements of existing law that—*

(1) *warrants be issued and countersigned in connection with the receipt, retention, and disbursement of public moneys and trust funds; and*

(2) *funds be requisitioned, and advanced to accountable officers under each separate appropriation head or otherwise.*

(b) *Such regulations may further provide for the payment of vouchers by authorized disbursing officers by means of checks issued against the general account of the Treasurer of the United States: Provided, That in such case the regulations shall provide for appropriate action in the event of delinquency by disbursing officers in the rendition of their accounts or for other reasons arising out of the condition of the officers' accounts, including under necessary circumstances, the suspension or withdrawal of authority to disburse.*

SEC. 116. *The Comptroller General is authorized to discontinue the maintenance in the General Accounting Office of appropriation, expenditure, limitation, receipt, and personal ledger accounts when in his opinion the accounting systems and internal control of the executive, legislative, and judicial agencies are sufficient to enable him to perform properly the functions to which such accounts relate.*

AUDITING PROVISIONS

SEC. 117. (a) *Except as otherwise specifically provided by law, the financial transactions of each executive, legislative, and judicial agency, including but not limited to the accounts of accountable officers, shall be audited by the General Accounting Office in accordance with such prin-*

ciples and procedures and under such rules and regulations as may be prescribed by the Comptroller General of the United States. In the determination of auditing procedures to be followed and the extent of examination of vouchers and other documents, the Comptroller General shall give due regard to generally accepted principles of auditing, including consideration of the effectiveness of accounting organizations and systems, internal audit and control, and related administrative practices of the respective agencies.

(b) Whenever the Comptroller General determines that the audit shall be conducted at the place or places where the accounts and other records of an executive agency are normally kept, he may require any executive agency to retain in whole or in part accounts of accountable officers, contracts, vouchers, and other documents, which are required under existing law to be submitted to the General Accounting Office, under such conditions and for such period not exceeding ten years as he may specify, unless a longer period is agreed upon with the executive agency: Provided, That under agreements between the Comptroller General and legislative and judicial agencies the provisions of this sentence may be extended to the accounts and records of such agencies.

GENERAL PROVISIONS

SEC. 118. As used in this part, the term "executive agency" means any executive department or independent establishment in the executive branch of the Government but (a) except for the purposes of sections 114, 116, and 119 shall not include any Government corporation or agency subject to the Government Corporation Control Act (59 Stat. 597), and (b) except for the purposes of sections 111, 114, and 116 shall not include the Post Office Department.

SEC. 119. The head of each executive agency is authorized to designate the place or places, at the seat of government or elsewhere, at which the administrative examination of fiscal officers' accounts will be performed, and with the concurrence of the Comptroller General to waive the administrative examination in whole or in part: Provided, That the same authority is hereby conferred upon the officers responsible for the administrative examination of accounts for legislative and judicial agencies.

TITLE II—APPROPRIATIONS

AUTHORIZATIONS FOR APPROPRIATIONS

SEC. 201. No requests for legislation, which, if enacted, would authorize subsequent appropriations for a department or establishment in the executive branch of the Government, shall be transmitted to the Bureau of the Budget, to the President, or to the Congress by such department or establishment, or by any organizational unit thereof, without the prior approval of the head of such department or establishment.

ADJUSTMENT OF APPROPRIATIONS FOR REORGANIZATION

SEC. 202. (a) When under authority of law a function or an activity is transferred or assigned from one agency within any department or establishment to another agency in the same department or establishment, the balance of appropriations which are determined by the head of such department or establishment to be available and necessary to finance or discharge the function or activity so transferred or assigned may, with

the approval of the President, be transferred to, and be available for use by, the agency to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby authorized to be established, and shall be merged with funds in the applicable existing or newly established appropriation account or accounts and thereafter accounted for as one fund.

(b) When under authority of law a function or activity is transferred or assigned from one department or establishment to another department or establishment, the balance of appropriations which are determined by the President to be available and necessary to finance or discharge the function or activity so transferred or assigned, shall be transferred to and be available for use by the department or establishment to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby authorized to be established, and shall be merged with funds in the applicable existing or newly established appropriation account or accounts and thereafter accounted for as one fund.

TITLE III—REPEALS AND SAVING PROVISIONS

REPEALS

SEC. 301. *The following Acts and parts of Acts are hereby repealed:*

(1) *Section 10 of the Act of August 1, 1914 (38 Stat. 680; U. S. C., title 31, sec. 582).*

(2) *So much of section 4 of the Act of June 20, 1874 (18 Stat. 109; U. S. C., title 31, sec. 583 (1)), as reads: “; and hereafter the Secretary of the Treasury shall annually submit to Congress detailed estimates of appropriations required for said expenses;”.*

(3) *The last proviso in the first paragraph under the heading “Judgments; United States Courts” of the Act of April 27, 1904 (33 Stat. 422; U. S. C., title 31, sec. 583 (2)).*

(4) *The last sentence of section 5 of the Act of August 5, 1882 (22 Stat. 256; U. S. C., title 31, sec. 583 (3)).*

(5) *So much of the matter appearing under the heading “Mints and Assay Offices” of the Act of March 4, 1911 (36 Stat. 1292; U. S. C., title 31, sec. 583 (4)), as reads: “, and the Secretary of the Treasury shall, for the fiscal year nineteen hundred and thirteen, and annually thereafter, submit to Congress in the regular book of estimates, detailed estimates for the expenses of this Service”.*

(6) *So much of the matter appearing under the heading “Treasury Department” in the Act of August 26, 1912 (37 Stat. 596; U. S. C., title 31, sec. 583 (5)), as reads: “Provided further, That estimates hereunder shall be submitted in detail for the fiscal year 1914, and annually thereafter”.*

(7) *The last sentence of the paragraph under the heading “Federal Farm Loan Board” of the Act of September 8, 1916 (U. S. C., title 31, sec. 583 (7)), appearing on page 803 of volume 39 of the Statutes at Large; and the third and last paragraph under the heading “Federal Farm Loan Bureau” of the Act of March 3, 1917 (U. S. C., title 31,*

sec. 583 (7)), appearing on page 1084 of volume 39 of the Statutes at Large.

(8) The last sentence on page 48 of volume 30 of the Statutes at Large, in the Act of June 4, 1897 (U. S. C., title 31, sec. 583 (8)).

(9) The first sentence of section 6 of the Act of March 3, 1919 (40 Stat. 1309; U. S. C., title 31, sec. 583 (10)).

(10) The last proviso under the heading "Office of the Chief Signal Officer" of the Act of March 2, 1907 (34 Stat. 1159; U. S. C., title 31, sec. 583 (11)).

(11) The sixth full paragraph appearing on page 648 of volume 29 of the Statutes at Large in the Act of March 3, 1897 (U. S. C., title 31, sec. 583 (13)).

(12) So much of the matter following the heading "Bureau of Mines" in the Act of March 3, 1915 (38 Stat. 858; U. S. C., title 31, sec. 583 (14)) as reads: "estimates shall be submitted specifically for all personal services required permanently and entirely in the Bureau of Mines at Washington, District of Columbia, and previously paid from lump-sum or general appropriations;".

(13) The proviso at the end of the fourth paragraph on page 312 of volume 37 of the Statutes at Large, in the Act of August 17, 1912 (U. S. C., title 31, sec. 583 (15)).

(14) The third paragraph appearing on page 1082 of volume 32 of the Statutes at Large, in the Act of March 3, 1903 (U. S. C., title 31, sec. 583 (16)).

(15) So much of section 12 of the Act of June 26, 1906 (34 Stat. 480; U. S. C., title 31, sec. 583 (18)), as reads: "and he shall annually submit to Congress estimates to cover the cost of the establishment and maintenance of fish hatcheries in Alaska, the salaries and actual traveling expenses of such officials, and for such other expenditures as may be necessary to carry out the provisions of this Act".

(16) The proviso at the end of the first full paragraph on page 456 of volume 32 of the Statutes at Large, in the Act of June 28, 1902 (U. S. C., title 31, sec. 583 (20)).

(17) The second full paragraph on page 841 of volume 38 of the Statutes at Large, in the Act of March 3, 1915 (U. S. C., title 31, sec. 583 (21)).

(18) The fourth full paragraph on page 2 of volume 38 of the Statutes at Large, in the Act of May 1, 1913 (U. S. C., title 31, sec. 583 (22)).

(19) The proviso at the end of the second paragraph under the heading "Bureau of Immigration and Naturalization" of the Act of March 4, 1907 (34 Stat. 1329, 1330; U. S. C., title 31, sec. 583 (23)).

(20) The second full paragraph on page 374 of volume 35 of the Statutes at Large, in the Act of May 27, 1908 (U. S. C., title 31, sec. 583 (25)).

(21) So much of the last paragraph on page 396 of volume 37 of the Statutes at Large, in the Act of August 23, 1912 (U. S. C., title 31, sec. 583 (26)), as reads: "For the fiscal year nineteen hundred and fourteen and annually thereafter estimates in detail shall be submitted for all personal services required in the Indian Office,".

(22) The proviso at the end of the first full paragraph on page 646 of volume 41 of the Statutes at Large, in the Act of May 29, 1920 (U. S. C., title 31, sec. 584).

(23) Section 3660 of the Revised Statutes (U. S. C., title 31, sec. 585).

(24) Section 4 of the Act of June 22, 1906 (34 Stat. 448; U. S. C., title 31, sec. 586).

(25) Section 4 of the Act of March 4, 1909 (35 Stat. 907; U. S. C., title 31, sec. 587).

(26) Section 2 of the Act of June 30, 1906 (34 Stat. 762; U. S. C., title 31, sec. 588); and the proviso in the first paragraph on page 1367 of volume 34 of the Statutes at Large, in the Act of March 4, 1907 (U. S. C., title 31, sec. 588).

(27) Section 3661, as amended, of the Revised Statutes (U. S. C., title 31, sec. 589).

(28) So much of the first paragraph on page 255 of volume 24 of the Statutes at Large, in the Act of August 4, 1886 (U. S. C., title 31, sec. 590), as reads: " : Provided further, That all printing and engraving for the Geological Survey, the Coast and Geodetic Survey, the Hydrographic Office of the Navy Department, and the Signal Service shall hereafter be estimated for separately and in detail, and appropriated for separately for each of said bureaus".

(29) Section 3662 of the Revised Statutes (U. S. C., title 31, sec. 591).

(30) Section 3663 of the Revised Statutes, as amended (U. S. C., title 31, sec. 594).

(31) Section 3664 of the Revised Statutes (U. S. C., title 31, sec. 597).

(32) Section 3665 of the Revised Statutes (U. S. C., title 31, sec. 598).

(33) The second paragraph under the heading "Revenue-Cutter Service" in the Act of March 2, 1889 (25 Stat. 907; U. S. C., title 31, sec. 600).

(34) So much of the second full paragraph on page 512 of volume 24 of the Statutes at Large, in the Act of March 3, 1887 (U. S. C., title 31, sec. 601), as reads: "That the Secretary of the Treasury shall for the fiscal year eighteen hundred and eighty-seven, and for each fiscal year thereafter in the annual estimates, report to Congress the number of persons employed outside of the District of Columbia, as superintendents, clerks, watchmen and otherwise, and paid from appropriations for the construction of public buildings showing where said persons are employed, in what capacity, the length of time and at what rate of compensation,".

(35) So much of the sixth full paragraph on page 374 of volume 26 of the Statutes at Large, in the Act of August 30, 1890 (U. S. C., title 31, sec. 601) as reads: " ; and hereafter the Secretary of the Treasury shall annually report to Congress in the book of estimates a statement of the expenditure of the appropriation for 'repairs and preservation of public buildings' which shall show the amount expended on each public building and the number of persons employed and paid salaries from such appropriation".

(36) So much of section 1317 of the Revenue Act of 1921 (42 Stat. 314; U. S. C., title 31, sec. 602) as reads: " ; and the Secretary of the Treasury shall submit for the fiscal year 1921, and annually thereafter, an estimate of appropriations to refund and pay back duties or taxes erroneously or illegally assessed or collected under the internal-revenue laws, and to pay judgments, including interests and costs, rendered for taxes or penalties erroneously or illegally assessed or collected under the internal-revenue laws".

(37) The first paragraph on page 133 of volume 22 of the Statutes at Large, in the Act of July 1, 1882 (U. S. C., title 31, sec. 603).

(38) The eighth paragraph under the heading "Foreign Intercourse" of the Act of May 3, 1905 (33 Stat. 1214; U. S. C., title 31, sec. 603).

(39) The last paragraph on page 48 of volume 30 of the Statutes at Large, in the Act of June 4, 1897 (U. S. C., title 31, sec. 604).

(40) *The eighth paragraph under the heading "Under the Engineer Department" of the Act of February 13, 1913 (37 Stat. 671; U. S. C., title 31, sec. 605).*

(41) *The sixth paragraph under the heading "Fortifications in Insular Possessions" of the Act of March 3, 1905 (33 Stat. 847; U. S. C., title 31, sec. 606).*

(42) *So much of the first section of the Act of August 4, 1886 (24 Stat. 246; U. S. C., title 31, sec. 607), as reads: "the estimates for the Army and Navy hospital service shall be submitted as a part of the military establishment".*

(43) *The first full paragraph on page 117 of volume 31 of the Statutes at Large, in the Act of April 17, 1900 (U. S. C., title 31, sec. 609).*

(44) *Section 3668 of the Revised Statutes (U. S. C., title 31, sec. 610).*

(45) *So much of the first paragraph on page 357 of volume 20 of the Statutes at Large, in the Act of March 3, 1879 (U. S. C., title 31, sec. 611), as reads: "Provided, That hereafter, in making his estimates for railway mail service the Postmaster General shall separate the estimate for postal-car service from the general estimates; and in case any increase or diminution of service by postal cars shall be made by him, the reasons therefor shall be given in his annual report next succeeding such increase or diminution".*

(46) *So much of the first paragraph under the heading "United States Geological Survey" in the Act of March 3, 1887 (24 Stat. 527; U. S. C., title 31, sec. 612), as reads: "and hereafter the estimates for the Geological Survey shall be itemized".*

(47) *The first paragraph on page 455 of volume 32 of the Statutes at Large, in the Act of June 28, 1902 (U. S. C., title 31, sec. 612).*

(48) *Section 4 of the Act of August 15, 1876 (19 Stat. 200; U. S. C., title 31, sec. 613).*

(49) *The fourth paragraph of section 26 of the Act of June 30, 1913 (38 Stat. 103; U. S. C., title 31, sec. 613).*

(50) *The eighth full paragraph on page 1421 of volume 36 of the Statutes at Large, in the Act of March 4, 1911 (U. S. C., title 31, sec. 614).*

(51) *The eighth full paragraph on page 1206 of volume 33 of the Statutes at Large, in the Act of March 3, 1905 (U. S. C., title 31, sec. 615).*

(52) *The fourth full paragraph under the heading "Government in the Territories" of the Act of July 16, 1914 (38 Stat. 479; U. S. C., title 31, sec. 616).*

(53) *The first full paragraph on page 492 of volume 39 of the Statutes at Large, in the Act of August 11, 1916 (U. S. C., title 31, sec. 617).*

(54) *The proviso in the first paragraph under the heading "Rent in the District of Columbia" of the Act of March 4, 1915 (38 Stat. 1108; U. S. C., title 31, sec. 617).*

(55) *The seventh paragraph on page 433 of volume 32 of the Statutes at Large, in the Act of June 28, 1902 (U. S. C., title 31, sec. 618).*

(56) *The ninth full paragraph on page 755 of volume 36 of the Statutes at Large, in the Act of June 25, 1910 (U. S. C., title 31, sec. 618).*

(57) *The fourth full paragraph on page 362 of volume 27 of the Statutes at Large, in the Act of August 5, 1892 (U. S. C., title 31, sec. 619).*

(58) *The first full paragraph on page 764 of volume 36 of the Statutes at Large, in the Act of June 25, 1910 (U. S. C., title 31, sec. 620).*

(59) *Section 6 of the Act of August 1, 1914 (38 Stat. 679; U. S. C., title 31, sec. 621).*

(60) *The last full sentence in the first paragraph on page 254 of volume 23 of the Statutes at Large, in the Act of July 7, 1884 (U. S. C., title 31, sec. 622).*

(61) *Section 5 of the Act of June 30, 1906 (34 Stat. 763; U. S. C., title 31, sec. 626).*

(62) *The proviso at the end of the first paragraph on page 579 of volume 37 of the Statutes at Large, in the Act of August 24, 1912 (U. S. C., title 31, sec. 626).*

(63) *Section 7, as amended, of the Act of August 26, 1912 (37 Stat. 626; 37 Stat. 790; U. S. C., title 31, sec. 629).*

(64) *The fourth full paragraph on page 854 of volume 37 of the Statutes at Large, in the Act of March 4, 1913 (U. S. C., title 31, sec. 630).*

(65) *The proviso at the end of the seventh paragraph on page 1030 of volume 31 of the Statutes at Large, in the Act of March 3, 1901 (U. S. C., title 31, sec. 633).*

(66) *The second paragraph under the heading "Contingent, Bureau of Ordnance" of the Act of July 12, 1921 (42 Stat. 128; U. S. C., title 31, sec. 636), down through the first proviso therein.*

(67) *So much of the third paragraph under the heading "Contingent Expenses, Navy Department" of the Act of June 22, 1906 (34 Stat. 427; U. S. C., title 31, sec. 637), as reads: "and hereafter it shall not be lawful to expend, for any of the offices or bureaus of the Navy Department at Washington, any sum out of appropriations made for the naval establishment for any of the purposes mentioned or authorized in the said foregoing paragraph".*

(68) *So much of the paragraph under the heading "Increase of the Navy, Equipment" of the Act of March 3, 1915 (38 Stat. 952; U. S. C., title 31, sec. 648), as reads: "and beginning with July first, nineteen hundred and fifteen, equipment outfits shall be charged to appropriation 'Increase of the Navy, Construction and Machinery'".*

(69) *The two provisos in the paragraph under the heading "Fuel and Transportation" of the Act of March 3, 1915 (38 Stat. 944; U. S. C., title 31, sec. 649).*

(70) *The proviso in the tenth paragraph on page 236 of volume 28 of the Statutes at Large, in the Act of August 6, 1894 (U. S. C., title 31, sec. 650).*

(71) *The fourth full paragraph on page 1175 of volume 34 of the Statutes at Large, in the Act of March 2, 1907 (U. S. C., title 31, sec. 655).*

(72) *So much of the first full paragraph on page 1391 of volume 42 of the Statutes at Large, in the Act of March 2, 1923 (U. S. C., title 31, sec. 656), as reads: "and the Budget estimates for each of such appropriations shall hereafter carry separately the amounts required for such transportation costs".*

(73) *The proviso in the seventh full paragraph on page 520 of volume 32 of the Statutes at Large, in the Act of June 30, 1902 (U. S. C., title 31, sec. 657).*

(74) *The proviso in lines 2 through 8 on page 710 of volume 36 of the Statutes at Large, in the Act of June 25, 1910 (U. S. C., title 31, sec. 664).*

(75) *Section 3682 of the Revised Statutes (U. S. C., title 31, sec. 674).*

(76) *Section 3683 of the Revised Statutes (U. S. C., title 31, sec. 675).*

(77) *The second full paragraph on page 1303 of volume 41 of the Statutes at Large, in the Act of March 3, 1921 (U. S. C., title 31, sec. 676).*

(78) The proviso in lines 7 through 17 on page 203 of volume 20 of the *Statutes at Large*, in the Act of June 19, 1878 (U. S. C., title 31, sec. 677).

(79) Section 3684 of the *Revised Statutes* (U. S. C., title 31, sec. 681).

(80) Section 6 of the Act of May 30, 1908 (U. S. C., title 31, sec. 683).

(81) So much of the paragraph under the heading "Pay of Assistant Custodians and Janitors" on pages 1153 and 1154 of volume 31 of the *Statutes at Large*, in the Act of March 3, 1901 (U. S. C., title 31, sec. 684), as reads: "and hereafter no other fund appropriated shall be used for this service".

(82) The second paragraph under the heading "United States Commerce Court" of the Act of March 4, 1911 (36 Stat. 1234; U. S. C., title 31, sec. 687).

(83) Section 26 of the Act of June 30, 1913 (38 Stat. 103; U. S. C., title 31, sec. 688).

(84) Section 400 of the *Second Deficiency Appropriation Act, 1947* (U. S. C., title 31, sec. 694).

(85) Section 607 of the Act of June 30, 1945, as amended (59 Stat. 304; U. S. C., title 5, sec. 947).

(86) Section 3 of the Act of March 3, 1875, as amended (18 Stat. 370; U. S. C., title 31, sec. 624).

(87) So much of the Act of March 26, 1934, as amended (48 Stat. 466; U. S. C., title 5, sec. 118c), as reads: "with the Budget estimates".

(88) So much of the paragraph under the heading "Department of State" in the Act of August 5, 1909 (36 Stat. 119; U. S. C., title 5, sec. 157), as reads: "and estimates for further appropriations hereunder shall include in detail salaries for all persons to be employed and paid in the Department of State at Washington, District of Columbia".

(89) The last proviso under the head "Working Capital Fund" in the Act of July 12, 1943 (57 Stat. 393; U. S. C., title 5, sec. 558a).

(90) So much of section 17 of the Act of May 22, 1920, as amended (41 Stat. 620; U. S. C., title 5, sec. 730), as reads: "annually to the Bureau of the Budget".

(91) Section 31 of the Act of September 7, 1916, as amended (39 Stat. 749; U. S. C., title 5, sec. 782).

(92) The last sentence of section 35 of the Act of September 7, 1916, as amended (39 Stat. 749; U. S. C., title 5, sec. 785).

(93) So much of section 1 of the Act of October 1, 1890 (26 Stat. 653; U. S. C., title 10, sec. 214), as reads: "and the Signal Corps of the Army shall remain a part of the Military Establishment under the direction of the Secretary of War, and all estimates for its support shall be included with other estimates for the support of the Military Establishment".

(94) The last proviso of section 4 of the Act of March 12, 1926 (44 Stat. 206; U. S. C., title 10, sec. 1597).

(95) So much of section 1 of the Act of June 12, 1917, as amended (40 Stat. 153; U. S. C., title 16, sec. 452), as reads: "and the Secretary of the Interior is directed to submit, for the fiscal year nineteen hundred and nineteen and annually thereafter, estimates of the amounts required for the care, maintenance, and development of the said parks."

(96) So much of section 1 of the Act of July 24, 1876, as amended (19 Stat. 99; U. S. C., title 24, sec. 278), as requires estimates for the care and maintenance of the national military cemeteries to be submitted annually by the Director of the National Park Service.

(97) So much of section 1 of the Act of January 24, 1923 (42 Stat. 1208; U. S. C., title 31, sec. 12), as reads: "The aggregate of all estimates of appropriations from the 'reclamation fund' contained in the Budget for any fiscal year shall be included in the totals of the Budget for that year."

(98) The second paragraph under the heading "Pay, Miscellaneous" of the Act of March 3, 1909 (35 Stat. 754; U. S. C., title 31, sec. 609a).

(99) The third paragraph under the heading "Office of the Fourth Assistant Postmaster General" of the Act of June 9, 1896 (29 Stat. 316; U. S. C., title 31, sec. 610a).

(100) The last proviso under the heading "National Home for Disabled Volunteer Soldiers" of the Act of October 2, 1888, as amended (25 Stat. 543; U. S. C., title 31, sec. 719).

(101) Section 119 of the Act of June 3, 1916 (39 Stat. 213; U. S. C., title 32, sec. 25).

(102) So much of the fourth full paragraph on page 558 of volume 39 of the Statutes at Large in the Act of August 29, 1916 (U. S. C., title 34, sec. 504), as reads: "and the Secretary of the Navy shall each year, in the annual estimates, report to Congress the number of persons so employed, their duties, and the amount paid to each".

(103) The last proviso in the third paragraph on page 377 of volume 37 of the Statutes at Large in the Act of August 23, 1912 (U. S. C., title 39, sec. 769).

(104) Section 27 of the Act of January 12, 1895, as amended (28 Stat. 604; U. S. C., title 44, sec. 37).

(105) The eighth full paragraph on page 382 of volume 35 of the Statutes at Large in the Act of May 27, 1908 (U. S. C., title 44, sec. 37).

(106) The last paragraph under the heading "Government in the Territories" in the Act of June 20, 1874 (18 Stat. 99; U. S. C., title 48, sec. 1456).

SAVING PROVISIONS

SEC. 302. (a) The omission of any provision of law from the provisions of law repealed under section 301 shall not be construed as limiting the application of section 201 or 216 of the Budget and Accounting Act, 1921, as amended, or the powers of the President thereunder, or as evidencing an intent that such provision was not to be superseded by such sections.

(b) Whenever any law authorizes expenditures for a particular object or purpose to be made from an appropriation item referred to in such law by the specific title theretofore used for that appropriation item in the appropriation Act concerned, and thereafter such title is changed or is eliminated from such appropriation Act, expenditures for such object or purpose thereafter may be made from any corresponding appropriation item.

(c) Except where authority for performance of a function is specifically repealed in section 301, none of the provisions of such section shall be construed as affecting the jurisdiction or responsibility of any agency or officer of the Government over any function or organizational unit referred to in such section.

(d) Existing laws, policies, procedures, and directives pertaining to functions covered by this Act, and not inconsistent herewith or repealed hereby, shall remain in full force and effect unless and until superseded,

or except as they may be amended, under the authority of this Act or under other appropriate authority.

And the Senate agree to the same.

WILLIAM L. DAWSON,
FRANK M. KARSTEN,
HAROLD O. LOVRE,

Managers on the Part of the House.

JOHN L. MCCLELLAN,
CLYDE R. HOEY,
KARL E. MUNDT,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9038) to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate struck out all of the House bill after the enacting clause and inserted a substitute text. The House recedes from its disagreement to the Senate amendment with an amendment which is a substitute for both the House bill and the Senate amendment. Except for technical and minor drafting changes, the differences between the House bill, the Senate amendment, and the conference substitute are explained below.

Section 101 of the House bill added to section 2 of the Budget and Accounting Act, 1921, language which defines the term "appropriations" to include, wherever appropriate, funds and authorizations to create obligations by contract in advance of appropriations. The Senate amendment added to such definition the words "or any other authority making funds available for obligation or expenditure" in order to broaden the scope of the term "appropriations" and make it more inclusive. The conference substitute retains the language added by the Senate amendment.

In retaining the language of the Senate amendment, the committee wishes to make it clear that it is not intended to change the form of the estimates now submitted for wholly owned Government corporations under the Government Corporation Control Act, or to affect the Federal Deposit Insurance Corporation or its funds. The funds of the Federal Deposit Insurance Corporation are received from assessments on insured banks and are used only for the purposes of deposit insurance. These funds have never been under the Budget and Accounting Act for the reason that they are not Government moneys or appropriations and there was no intention of including such funds in this amendment.

Section 102 of the House bill amended section 201 of the Budget and Accounting Act, 1921, to provide that the Budget shall set forth, among other things, in form and detail determined by the President, the functions and activities of the Government. The Senate amendment added the words "constituting a performance budget" as a description of the resulting form of the Budget. The matter of submission of the Budget on the basis of functions and activities does not depend upon the words added by the Senate amendment but upon the specific requirement to that effect included in both the House bill and the Senate amendment that functions and activities be shown. Therefore the words "constituting a performance budget" have been eliminated as surplusage from the conference substitute, since these

additional words might in the future be given a restrictive construction not intended.

The House bill contains a provision in section 102 (c) amending subsection 204 (b) of the Budget and Accounting Act, 1921, to insure that the so-called "green sheets," giving information as to personal service and other objects of expenditure, would accompany the Budget. The House provision with respect to waiver or modification of the requirements of such subsection would permit the green sheet procedure to be dispensed with in whole or in part if the appropriations committees jointly should find such action desirable. The Senate amendment contained no comparable provision. The conference substitute adopts the House provision.

Section 103 of the Senate amendment gave authority to the head of each department and establishment in the executive branch of the Government to make certain transfers and adjustments between appropriations within his department or establishment during a transitory period of two fiscal years following the date of enactment in order to reflect the financial requirements of the functions and activities of the department or establishment. The House bill contained no comparable provision. The conference substitute eliminates this provision of the Senate amendment.

Section 201 of the Senate amendment gives the head of each department and establishment in the executive branch of the Government the authority to make transfers and adjustments between appropriations within his department or establishment with the approval of the President. The House bill contained no comparable provisions. While section 201 of the Senate amendment has certain desirable features, it was the opinion of the conferees that the section should be given further consideration and study by the Congress. The conference substitute eliminates this provision of the Senate amendment.

Section 203 of the Senate amendment provided for reserves to be established, and modified from time to time, against appropriations when the President determines the purposes of the Congress could be accomplished with lesser expenditures. The House bill contained no comparable provision. In view of the similar and more general authority provided in section 1111 of the General Appropriation Act, 1951, as passed by both Houses, the conference substitute eliminates section 203 as unnecessary.

WILLIAM L. DAWSON,
FRANK M. KARSTEN,
HAROLD O. LOVRE,

Managers on the Part of the House.

shall be made in accordance with regulations prescribed by the President which may provide for the classification of such persons into groups according to the number of full months of such service which they have had and for the induction of the members of any such group after the induction of the members of any other such group having a lesser number of full months of such service.

In the selection of individuals from among the categories established by subsection (i) for induction, the President is authorized, under such rules and regulations as he may prescribe, to provide for the deferment of any individual whose deferment is found to be equitable and in the national interest, taking into consideration the length of his previous service in the Armed Forces (including the Coast Guard and the Public Health Service) of the United States, the extent of his participation in the Army specialized training program or similar program administered by the Navy, reasons of hardship or dependency, and the maintenance of the national health, safety, or interest.

"(3) It is the sense of the Congress that the President shall provide for the annual deferment from training and service under this title of numbers of optometry students and premedical, preosteopathic, preveterinary, preoptometry, and pre dental students at least equal to the numbers of male premedical, preosteopathic, preveterinary, preoptometry, and pre dental students in attendance at colleges and universities in the United States at the present level as determined by the Director.

"(j) The President shall establish a National Advisory Committee which shall advise the Selective Service System, and shall coordinate the work of such State and local volunteer advisory committees as may be established to cooperate with the National Advisory Committee, with respect to the selection of needed medical and dental and allied specialist categories of persons as referred to in subsection (i). The members of the National Advisory Committee shall be selected from among individuals who are outstanding in medicine, dentistry, and the sciences allied thereto, but it shall not be mandatory that all such fields of endeavor be represented on the committee."

"Sec. 2. Notwithstanding the provisions of section 203 of Public Law 351, Eighty-first Congress, commissioned officers of the Reserve components called or ordered to active duty with or without their consent, shall, if otherwise qualified, be entitled to the benefits of section 203 of Public Law 351, Eighty-first Congress.

"Sec. 3. Section 202 of the National Security Act of 1947, as amended, is hereby amended by adding at the end thereof the following subsections:

"(g) Under such regulations as he shall prescribe, the Secretary of Defense with the approval of the President is authorized to transfer between the armed services, within the authorized commissioned strength of the respective services, officers holding commissions in the medical services or corps including the Reserve components thereof. No officer shall be so transferred without (1) his consent, (2) the consent of the service from which the transfer is to be made, and (3) the consent of the service to which the transfer is to be made.

"(h) Officers transferred hereunder shall be appointed by the President alone to such commissioned grade, permanent and temporary, in the armed service to which transferred and be given such place on the applicable promotion list of such service as he shall determine. Federal service previously rendered by any such officer shall be credited for promotion, seniority, and retirement purposes as if served in the armed service to which transferred according to the

provisions of law governing promotion, seniority, and retirement therein. No officer upon a transfer to any service from which previously transferred shall be given a higher grade, or place on the applicable promotion list, than that which he could have attained had he remained continuously in the service to which retransferred.

"(i) Any officer transferred hereunder shall be credited with the unused leave to which he was entitled at the time of transfer."

"Sec. 4. Notwithstanding any other provision of law, where any person who served on active duty as a doctor or dentist in the United States Army, Navy, or Air Force Medical Corps during World War II, thereafter has been, or shall be, recalled to active duty as a doctor or dentist in the Armed Forces of the United States, such person may, under regulations prescribed by the President, be promoted to such grade or rank as may be commensurate with his medical or dental education, experience, and ability.

"Sec. 5. No person inducted under the provisions of this act shall be entitled to the benefits of the provisions of section 203 of Public Law 351, Eighty-first Congress.

"Sec. 6. For the purposes of this act, the term "allied specialist categories" shall include, but not be limited to, veterinarians, bacteriologists, biochemists, radiation chemists, organic chemists, parasitologists, pathologists, pharmacologists, biophysicists, radiation physicists, optometrists, pharmacists, occupational therapists, chiropodists, osteopaths, physiologists, radiobiologists, serologists, virologists, sanitary engineers, industrial hygienists, medical statisticians, industrial engineers, dietitians, psychologists, entomologists, psychiatric social workers, nutritionists, laboratory officers.

"Sec. 7. This act, except for section 2, shall terminate on July 9, 1951."

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. VINSON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 363, nays 1, answered "present" 1, not voting 65, as follows:

[Roll No. 261]

YEAS—363

| | | | | |
|------------------|---------------|---------------|------------------|---------------|
| Abbott | Bolton, Md. | Chudoff | Karsten | Price |
| Abernethy | Bonner | Clemente | Kean | Priest |
| Addonizio | Bosona | Clevenger | Kearns | Rabaut |
| Albert | Breen | Cole, Kans. | Keating | Rains |
| Allen, Calif. | Brehm | Cole, N. Y. | Kee | Ramsay |
| Allen, Ill. | Brooks | Colmer | Kelley, Pa. | Rankin |
| Allen, La. | Brown, Ga. | Combs | Kelly, N. Y. | Redden |
| Andersen, | Brown, Ohio | Cooley | Kennedy | Reed, Ill. |
| H. Carl | Bryson | Cooper | Keogh | Reed, N. Y. |
| Anderson, Calif. | Buchanan | Corbett | Kerr | Rees |
| Andresen, | Buckley, Ill. | Cotton | Kilburn | Rhodes |
| August H. | Burdick | Coudert | Kilday | Ribicoff |
| Andrews | Burke | Cox | King | Rich |
| Arends | Burleson | Crawford | Kirwan | Richards |
| Aspinall | Burnside | Cunningham | Kruse | Riehlman |
| Auchincloss | Burton | Curtis | Kunkel | Robeson |
| Bailey | Byrne, N. Y. | Dague | Lane | Rodino |
| Baring | Byrnes, Wis. | Davenport | Lanham | Rogers, Fla. |
| Barrett, Pa. | Camp | Davies, N. Y. | LeCompte | Rogers, Mass. |
| Bates, Ky. | Canfield | Davis, Ga. | LeFevre | Rooney |
| Bates, Mass. | Cannon | Davis, Tenn. | Lichtenwalter | Sadlak |
| Battle | Carlyle | Davis, Wis. | Lind | Sanborn |
| Beall | Carnahan | Dawson | Linehan | Sasser |
| Beckworth | Carroll | Deane | Lodge | Saylor |
| Bennett, Fla. | Case, N. J. | DeGraffenried | Lovre | Scott, Hardie |
| Bennett, Mich. | Case, S. Dak. | Delaney | Lucas | Scrivner |
| Bentsen | Cavalcante | Denton | Lyle | Scudder |
| Biemiller | Celler | D'Ewart | Lynch | Secrest |
| Bishop | Chatham | Dollinger | McCarthy | Shafer |
| Boggs, Del. | Chelf | Dolliver | McConnell | Shelley |
| Boggs, La. | Chesney | Dondro | McCormack | Sheppard |
| Bolling | Chipfield | Donohue | McDonough | Short |
| | | | McGrath | Simpson, Ill. |
| | | | McGregor | Simpson, Pa. |
| | | | McGuire | Sims |
| | | | McKinnon | Smith, Va. |
| | | | McMillan, S. C. | Smith, Wis. |
| | | | McSweeney | Spence |
| | | | Mack, Ill. | Staggers |
| | | | Mack, Wash. | Stanley |
| | | | Madden | Steed |
| | | | Magee | Stefan |
| | | | Mahon | Stigler |
| | | | Mansfield | Stockman |
| | | | Marsalis | Sullivan |
| | | | Marshall | Sutton |
| | | | Martin, Mass. | Taber |
| | | | Marrow | Tackett |
| | | | Meyer | Talle |
| | | | Michener | Tauriello |
| | | | Miles | Taylor |
| | | | Miller, Md. | Teague |
| | | | Miller, Nebr. | Thomas |
| | | | Mills | Thompson |
| | | | Mitchell | Thornberry |
| | | | Monroney | Tollefson |
| | | | Morris | Towe |
| | | | Morton | Trimble |
| | | | Moulder | Underwood |
| | | | Multer | Van Zandt |
| | | | Murdock | Velde |
| | | | Murphy | Vinson |
| | | | Murray, Tenn. | Vorys |
| | | | Nelson | Vursell |
| | | | Nicholson | Wadsworth |
| | | | Nixon | Wagner |
| | | | Noland | Walsh |
| | | | Norblad | Walter |
| | | | Norrell | Weichel |
| | | | O'Brien, Ill. | Welch |
| | | | O'Brien, Mich. | Wheeler |
| | | | O'Hara, Ill. | White, Calif. |
| | | | O'Hara, Minn. | White, Idaho |
| | | | O'Neill | Whitten |
| | | | O'Sullivan | Whittington |
| | | | O'Toole | Wickersham |
| | | | Passman | Widnall |
| | | | Patman | Wigglesworth |
| | | | Patten | Willis |
| | | | Patterson | Wilson, Ind. |
| | | | Perkins | Wilson, Okla. |
| | | | Peterson | Wilson, Tex. |
| | | | Philbin | Winstead |
| | | | Phillips, Calif. | Wolcott |
| | | | Pickett | Wolverton |
| | | | Poage | Wood |
| | | | Polk | Woodhouse |
| | | | Potter | Woodruff |
| | | | Poulson | Young |
| | | | Preston | Zablocki |

NAYS—1

Marcantonio

ANSWERED "PRESENT"—1

Hedrick

NOT VOTING—65

| | | |
|---------------|--------------|----------------|
| Angell | Blackney | Boykin |
| Barden | Blatnik | Bramblett |
| Barrett, Wyo. | Bolton, Ohio | Buckley, N. Y. |

| | | |
|----------------|-----------------|--------------|
| Bulwinkle | Larcade | Powell |
| Christopher | Latham | Quinn |
| Crook | McCulloch | Regan |
| Crosser | McMillen, Ill. | Rivers |
| Dingell | Macy | Roosevelt |
| Durham | Martin, Iowa | Sabath |
| Eaton | Mason | Sadowski |
| Engel, Mich. | Miller, Calif. | St. George |
| Gamble | Morgan | Scott, |
| Gillette | Morrison | Hugh D., Jr. |
| Gore | Murray, Wis. | Sikes |
| Hall, | Norton | Smathers |
| Edwin Arthur | O'Konski | Smith, Kans. |
| Hébert | Pace | Smith, Ohio |
| Hoffman, Mich. | Pfeifer, | Werdel |
| Holfield | Joseph L. | Whitaker |
| Johnson | Pfeiffer, | Wier |
| Kearney | William L. | Williams |
| Keefe | Phillips, Tenn. | Withrow |
| Klein | Plumley | Yates |

So the bill was passed.

The Clerk announced the following pairs:

General pairs until further notice:

Mr. Smathers with Mr. Latham.
 Mr. Roosevelt with Mr. William L. Pfeiffer.
 Mr. Hébert with Mr. Smith of Ohio.
 Mr. Klein with Mr. Macy.
 Mr. Williams with Mr. Martin of Iowa.
 Mr. Holfield with Mr. Johnson.
 Mr. Crook with Mr. Werdel.
 Mr. Morrison with Mr. Blackney.
 Mr. Yates with Mr. Angell.
 Mr. Dingell with Gillette.
 Mr. Sadowski with Mrs. St. George.
 Mr. Joseph L. Pfeifer with Mr. Eaton.
 Mr. Miller of California with Mr. Engel of Michigan.
 Mr. Quinn with Mr. Bramblett.
 Mr. Rivers with Mr. Gamble.
 Mr. Buckley of New York with Mr. Hoffman of Michigan.
 Mrs. Norton with Mr. Kearney.
 Mr. Morgan with Mr. Withrow.
 Mr. Pace with Mr. Smith of Kansas.
 Mr. Whitaker with Mr. O'Konski.
 Mr. Blatnik with Mr. McCulloch.
 Mr. Boykin with Mr. Mason.
 Mr. Powell with Mrs. Bolton of Ohio.
 Mr. Sabath with Mr. Barrett of Wyoming.
 Mr. Regan with Mr. Keefe.
 Mr. Wier with Mr. McMillen of Illinois.
 Mr. Sikes with Mr. Murray of Wisconsin.
 Mr. Larcade with Mr. Plumley.
 Mr. Durham with Mr. Hugh D. Scott, Jr.
 Mr. Gore with Mr. Phillips of Tennessee.
 Mr. Powell with Mr. Edwin Arthur Hall.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

By unanimous consent the proceedings whereby the bill H. R. 9554 was passed were vacated, and that bill laid on the table.

AMENDING CIVIL AERONAUTICS ACT OF 1938

Mr. COLMER, from the Committee on Rules, reported the following privileged resolution (H. Res. 833, Rept. No. 3023), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9320) to amend the Civil Aeronautics Act of 1938, as amended, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without intervention of any point of

order the substitute committee amendment recommended by the Committee on Interstate and Foreign Commerce now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted and any Member may demand a separate vote in the House on any amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, and such motion to recommit may contain instructions germane to the bill or committee substitute.

AMERICAN-MEXICAN TREATY ACT OF 1950

Mr. KEE. Mr. Speaker, I call up the conference report on the bill (S. 3934) to amend the act of May 13, 1944 (43 Stat. 108), as amended, relating to the United States-Mexican boundary, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.
 The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the statement.

(For conference report and statement see proceedings of the House of August 29, 1950.)

Mr. KEE. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to. A motion to reconsider was laid on the table.

FORM OF NATIONAL BUDGET AND DEPARTMENTAL ESTIMATES: GOVERNMENTAL ACCOUNTING AND AUDITING METHODS AND PROCEDURES

Mr. DAWSON. Mr. Speaker, I call up the conference report on the bill (H. R. 9038) to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes, and ask unanimous consent that it be recommended to the committee of conference.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, and I am not going to object, this is merely referring the conference report, which we had up yesterday, back to the committee of conference?

Mr. DAWSON. That is right, sir.

Mr. CANFIELD. Mr. Speaker, further reserving the right to object, I hope that the gentleman will insist upon the position which has been taken against the Senate amendment, which would practically abrogate the rights of the appropriating committees of the Congress.

Mr. DAWSON. I have an idea how the House feels about it. I shall follow the wishes of the House.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DAWSON. And I further ask unanimous consent, Mr. Speaker, that the conferees on the part of the House may have until midnight tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 3030)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9038) entitled "An act to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That this Act may be cited as the 'Budget and Accounting Procedures Act of 1950'."

"TITLE I—BUDGETING AND ACCOUNTING

"PART I—BUDGETING

"SEC. 101. Section 2 of the Budget and Accounting Act, 1921 (42 Stat. 20), is amended by adding at the end thereof the following:

"The term 'appropriations' includes, in appropriate context, funds and authorizations to create obligations by contract in advance of appropriations, or any other authority making funds available for obligation or expenditure."

"SEC. 102. (a) Section 201 of such Act is amended to read as follows:

"SEC. 201. The President shall transmit to Congress during the first fifteen days of each regular session, the Budget, which shall set forth his Budget message, summary data and text, and supporting detail. The Budget shall set forth in such form and detail as the President may determine—

"(a) functions and activities of the Government;

"(b) any other desirable classifications of data;

"(c) a reconciliation of the summary data on expenditures with proposed appropriations;

"(d) estimated expenditures and proposed appropriations necessary in his judgment for the support of the Government for the ensuing fiscal year, except that estimated expenditures and proposed appropriations for such year for the legislative branch of the Government and the Supreme Court of the United States shall be transmitted to the President on or before October 15 of each year, and shall be included by him in the budget without revision;

"(e) estimated receipts of the Government during the ensuing fiscal year, under (1) laws existing at the time the budget is transmitted and also (2) under the revenue proposals, if any, contained in the budget;

"(f) actual appropriations, expenditures, and receipts of the Government during the last completed fiscal year;

"(g) estimated expenditures and receipts, and actual or proposed appropriations of the Government during the fiscal year in progress;

"(h) balanced statements of (1) the condition of the Treasury at the end of the last completed fiscal year, (2) the estimated condition of the Treasury at the end of the fiscal year in progress, and (3) the estimated condition of the Treasury at the end of the ensuing fiscal year if the financial proposals contained in the budget are adopted;

"(i) all essential facts regarding the bonded and other indebtedness of the Government; and

"(j) such other financial statements and data as in his opinion are necessary or desirable in order to make known in all practicable detail the financial condition of the Government."

"(b) Section 203 of such act is amended to read as follows:

"Sec. 203. (a) The President from time to time may transmit to Congress such proposed supplemental or deficiency appropriations as in his judgment (1) are necessary on account of laws enacted after the transmission of the Budget, or (2) are otherwise in the public interest. He shall accompany such proposals with a statement of the reasons therefor, including the reasons for their omission from the Budget.

"(b) Whenever such proposed supplemental or deficiency appropriations reach an aggregate which, if they had been contained in the Budget, would have required the President to make a recommendation under subsection (a) of section 202, he shall thereupon make such recommendation."

"(c) Section 204 of such Act is amended to read as follows:

"Sec. 204. (a) Except as otherwise provided in this Act, the contents, order, and arrangement of the proposed appropriations and the statements of expenditures and estimated expenditures contained in the Budget or transmitted under section 203, and the notes and other data submitted therewith, shall conform to requirements prescribed by the President.

"(b) The Budget, and statements furnished with any proposed supplemental or deficiency appropriations, shall be accompanied by information as to personal services and other objects of expenditure in the same manner and form as in the Budget for the fiscal year 1950: *Provided*, That this requirement may be waived or modified, either generally or in specific cases, by joint action of the committees of Congress having jurisdiction over appropriation: *And provided further*, That nothing in this Act shall be construed to limit the authority of committees of Congress to request and receive such information in such form as they may desire in consideration of and action upon budget estimates."

"(d) Section 205 of such Act is amended to read as follows:

"Sec. 205. Whenever any basic change is made in the form of the Budget, the President, in addition to the Budget, shall transmit to Congress such explanatory notes and tables as may be necessary to show where the various items embraced in the Budget of the prior year are contained in the new Budget."

"(e) The last sentence of section 207 of such Act is amended to read as follows: 'The Bureau, under such rules and regulations as the President may prescribe, shall prepare the Budget, and any proposed supplemental or deficiency appropriations, and to this end shall have authority to assemble, correlate, revise, reduce, or increase the requests for appropriations of the several departments or establishments.'

"(f) Section 214 of such Act is amended to read as follows:

"Sec. 214. The head of each department and establishment shall prepare or cause to

be prepared in each year his requests for regular, supplemental, or deficiency appropriations."

"(g) Section 215 of such Act is amended to read as follows:

"Sec. 215. The head of each department and establishment shall submit his requests for appropriations to the Bureau on or before a date which the President shall determine. In case of his failure to do so, the President shall cause such requests to be prepared as are necessary to enable him to include such requests with the Budget in respect to the work of such department or establishment."

"(h) Section 216 of such Act is amended to read as follows:

"Sec. 216. Requests for regular, supplemental, or deficiency appropriations which are submitted to the Bureau by the head of any department or establishment shall be prepared and submitted as the President may determine in accordance with the provisions of section 201."

"Government statistical activities"

"Sec. 103. The President, through the Director of the Bureau of the Budget, is authorized and directed to develop programs and to issue regulations and orders for the improved gathering, compiling, analyzing, publishing, and disseminating of statistical information for any purpose by the various agencies in the executive branch of the Government. Such regulations and orders shall be adhered to by such agencies.

"Improved administration of executive agencies"

"Sec. 104. The President, through the Director of the Bureau of the Budget, is authorized and directed to evaluate and develop improved plans for the organization, coordination, and management of the executive branch of the Government with a view to efficient and economical service.

"Business-type budgets"

"Sec. 105. The first two sentences of section 102 of the Government Corporation Control Act of 1945 (59 Stat. 597), are amended to read as follows: 'Each wholly owned Government corporation shall cause to be prepared annually a business-type budget which shall be submitted to the Bureau of the Budget, under such rules and regulations as the President may establish as to the date of submission, the form and content, the classifications of data, and the manner in which such budget program shall be prepared and presented.'

"PART II—ACCOUNTING AND AUDITING"

"Short title"

"Sec. 110. This part may be cited as the 'Accounting and Auditing Act of 1950.'

"Declaration of policy"

"Sec. 111. It is the policy of the Congress in enacting this part that—

"(a) The accounting of the Government provide full disclosure of the results of financial operations, adequate financial information needed in the management of operations and the formulation and execution of the Budget, and effective control over income, expenditures, funds, property, and other assets.

"(b) Full consideration be given to the needs and responsibilities of both the legislative and executive branches in the establishment of accounting and reporting systems and requirements.

"(c) The maintenance of accounting systems and the producing of financial reports with respect to the operations of executive agencies, including central facilities for bringing together and disclosing information on the results of the financial operations of the Government as a whole, be the responsibility of the executive branch.

"(d) The auditing for the Government, conducted by the Comptroller General of the United States as an agent of the Congress be

directed at determining the extent to which accounting and related financial reporting fulfill the purposes specified, financial transactions have been consummated in accordance with laws, regulations or other legal requirements, and adequate internal financial control over operations is exercised, and afford an effective basis for the settlement of accounts of accountable officers.

"(e) Emphasis be placed on effecting orderly improvements resulting in simplified and more effective accounting, financial reporting, budgeting, and auditing requirements and procedures and on the elimination of those which involve duplication or which do not serve a purpose commensurate with the costs involved.

"(f) The Comptroller General of the United States, the Secretary of the Treasury, and the Director of the Bureau of the Budget conduct a continuous program for the improvement of accounting and financial reporting in the Government.

"Accounting and reporting provisions"

"Sec. 112. (a) The Comptroller General of the United States, after consulting the Secretary of the Treasury and the Director of the Bureau of the Budget concerning their accounting, financial reporting, and budgetary needs, and considering the needs of the other executive agencies, shall prescribe the principles, standards, and related requirements for accounting to be observed by each executive agency, including requirements for suitable integration between the accounting processes of each executive agency and the accounting of the Treasury Department. Requirements prescribed by the Comptroller General shall be designed to permit the executive agencies to carry out their responsibilities under section 113 of this part, while providing a basis for integrated accounting for the Government, full disclosure of the results of the financial operations of each executive agency and the Government as a whole, and financial information and control necessary to enable the Congress and the President to discharge their respective responsibilities. The Comptroller General shall continue to exercise the authority vested in him by section 205 (b) of the Federal Property and Administrative Services Act of 1949 (63 Stat. 389) and, to the extent he deems necessary, the authority vested in him by section 309 of the Budget and Accounting Act, 1921 (42 Stat. 25). Any such exercise of authority shall be consistent with the provisions of this section.

"(b) The General Accounting Office shall cooperate with the executive agencies in the development of their accounting systems, including the Treasury Department, in the development and establishment of the system of central accounting and reporting required by section 114 of this part. Such accounting systems shall be approved by the Comptroller General when deemed by him to be adequate and in conformity with the principles, standards, and related requirements prescribed by him.

"(c) The General Accounting Office shall from time to time review the accounting systems of the executive agencies. The results of such reviews shall be available to the heads of the executive agencies concerned, to the Secretary of the Treasury, and to the Director of the Bureau of the Budget, and the Comptroller General shall make such reports thereon to the Congress as he deems proper.

"Sec. 113. (a) The head of each executive agency shall establish and maintain systems of accounting and internal control designed to provide—

"(1) full disclosure of the financial results of the agency's activities;

"(2) adequate financial information needed for the agency's management purposes;

"(3) effective control over and accountability for all funds, property, and other assets for which the agency is responsible, including appropriate internal audit;

"(4) reliable accounting results to serve as the basis for preparation and support of the agency's budget requests, for controlling the execution of its budget, and for providing financial information required by the Bureau of the Budget under section 213 of the Budget and Accounting Act, 1921 (42 Stat. 23);

"(5) suitable integration of the accounting of the agency with the accounting of the Treasury Department in connection with the central accounting and reporting responsibilities imposed on the Secretary of the Treasury by section 114 of this part.

"(b) The accounting systems of executive agencies shall conform to the principles, standards, and related requirements prescribed by the Comptroller General pursuant to section 112 (a) of this part."

"Sec. 114. (a) The Secretary of the Treasury shall prepare such reports for the information of the President, the Congress, and the public as will present the results of the financial operations of the Government: *Provided*, That there shall be included such financial data as the Director of the Bureau of the Budget may require in connection with the preparation of the Budget or for other purposes of the Bureau. Each executive agency shall furnish the Secretary of the Treasury such reports and information relating to its financial condition and operations as the Secretary, by rules and regulations, may require for the effective performance of his responsibilities under this section.

"(b) The Secretary of the Treasury is authorized to establish the facilities necessary to produce the financial reports required by subsection (a) of this section. The Secretary is further authorized to reorganize the accounting functions and install, revise, or eliminate accounting procedures and financial reports of the Treasury Department in order to develop effective and coordinated systems of accounting and financial reporting in the several bureaus and offices of the Department with such concentration of accounting and reporting as is necessary to accomplish integration of accounting results for the activities of the Department and provide the operating center for the consolidation of accounting results of other executive agencies with those of the Department. The authority vested in and the duties imposed upon the Department by sections 10, 15, and 22 of the Act entitled 'An Act making appropriations for the legislative, executive, and judicial branches of the Government for the fiscal year ending June thirtieth, eighteen hundred ninety-five, and for other purposes', approved July 31, 1894 (28 Stat. 162, 208-210), may be exercised and performed by the Secretary of the Treasury as a part of his broader authority and duties under this section and in such a manner as to provide a unified system of central accounting and reporting on the most efficient and useful basis.

"(c) The system of central accounting and reporting provided for herein shall be consistent with the principles, standards, and related requirements prescribed by the Comptroller General pursuant to section 112 of this part.

"Sec. 115. (a) When the Secretary of the Treasury and the Comptroller General determine that existing procedures can be modified in the interest of simplification, improvement, or economy, with sufficient safeguards over the control and accounting for the public funds, they may issue joint regulations providing for the waiving, in whole or in part, of the requirements of existing law that—

"(1) warrants be issued and countersigned in connection with the receipt, retention, and disbursement of public moneys and trust funds; and

"(2) funds be requisitioned, and advanced to accountable officers under each separate appropriation head or otherwise.

"(b) Such regulations may further provide for the payment of vouchers by authorized disbursing officers by means of checks issued against the general account of the Treasurer of the United States: *Provided*, That in such case the regulations shall provide for appropriate action in the event of delinquency by disbursing officers in the rendition of their accounts or for other reasons arising out of the condition of the officers' accounts, including under necessary circumstances, the suspension or withdrawal of authority to disburse.

"Sec. 116. The Comptroller General is authorized to discontinue the maintenance in the General Accounting Office of appropriation, expenditure, limitation, receipt, and personal ledger accounts when in his opinion the accounting systems and internal control of the executive, legislative, and judicial agencies are sufficient to enable him to perform properly the functions to which such accounts relate.

"Auditing provisions

"Sec. 117. (a) Except as otherwise specifically provided by law, the financial transactions of each executive, legislative, and judicial agency, including but not limited to the accounts of accountable officers, shall be audited by the General Accounting Office in accordance with such principles and procedures and under such rules and regulations as may be prescribed by the Comptroller General of the United States. In the determination of auditing procedures to be followed and the extent of examination of vouchers and other documents, the Comptroller General shall give due regard to generally accepted principles of auditing, including consideration of the effectiveness of accounting organizations and systems, internal audit and control, and related administrative practices of the respective agencies.

"(b) Whenever the Comptroller General determines that the audit shall be conducted at the place or places where the accounts and other records of an executive agency are normally kept, he may require any executive agency to retain in whole or in part accounts of accountable officers, contracts, vouchers, and other documents, which are required under existing law to be submitted to the General Accounting Office, under such conditions and for such period not exceeding ten years as he may specify, unless a longer period is agreed upon with the executive agency: *Provided*, That under agreements between the Comptroller General and legislative and judicial agencies the provisions of this sentence may be extended to the accounts and records of such agencies.

"General provisions

"Sec. 118. As used in this part, the term 'executive agency' means any executive department or independent establishment in the executive branch of the Government but (a) except for the purposes of sections 114, 116, and 119 shall not include any Government corporation or agency subject to the Government Corporation Control Act (59 Stat. 597), and (b) except for the purposes of sections 111, 114, and 116 shall not include the Post Office Department.

"Sec. 119. The head of each executive agency is authorized to designate the place or places, at the seat of government or elsewhere, at which the administrative examination of fiscal officers' accounts will be performed, and with the concurrence of the Comptroller General to waive the administrative examination in whole or in part: *Provided*, That the same authority is hereby conferred upon the officers responsible for the administrative examination of accounts for legislative and judicial agencies.

"TITLE II—APPROPRIATIONS

"Authorizations for appropriations

"Sec. 201. No requests for legislation, which, if enacted, would authorize subse-

quent appropriations for a department or establishment in the executive branch of the Government, shall be transmitted to the Bureau of the Budget, to the President, or to the Congress by such department or establishment, or by any organizational unit thereof, without the prior approval of the head of such department or establishment.

"Adjustment of appropriations for reorganization

"Sec. 202. (a) When under authority of law a function or an activity is transferred or assigned from one agency within any department or establishment to another agency in the same department or establishment, the balance of appropriations which are determined by the head of such department or establishment to be available and necessary to finance or discharge the function or activity so transferred or assigned may, with the approval of the President, be transferred to, and be available for use by, the agency to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby authorized to be established, and shall be merged with funds in the applicable existing or newly established appropriation account or accounts and thereafter accounted for as one fund.

"(b) When under authority of law a function or activity is transferred or assigned from one department or establishment to another department or establishment, the balance of appropriations which are determined by the President to be available and necessary to finance or discharge the function or activity so transferred or assigned, shall be transferred to and be available for use by the department or establishment to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby authorized to be established, and shall be merged with funds in the applicable existing or newly established appropriation account or accounts and thereafter accounted for as one fund.

"TITLE III—REPEALS AND SAVING PROVISIONS

"Repeals

"Sec. 301. The following Acts and parts of Acts are hereby repealed:

"(1) Section 10 of the Act of August 1, 1914 (38 Stat. 680; U. S. C., title 31, sec. 582).

"(2) So much of section 4 of the Act of June 20, 1874 (18 Stat. 109; U. S. C., title 31, sec. 583 (1)), as reads: 'and hereafter the Secretary of the Treasury shall annually submit to Congress detailed estimates of appropriations required for said expenses';

"(3) The last proviso in the first paragraph under the heading 'Judgments: United States Courts' of the Act of April 27, 1904 (33 Stat. 422; U. S. C., title 31, sec. 583 (2)).

"(4) The last sentence of section 5 of the Act of August 5, 1882 (22 Stat. 256; U. S. C., title 31, sec. 583 (3)).

"(5) So much of the matter appearing under the heading 'Mints and Assay Offices' of the Act of March 4, 1911 (36 Stat. 1292; U. S. C., title 31, sec. 583 (4)), as reads: 'and the Secretary of the Treasury shall, for the fiscal year nineteen hundred and thirteen, and annually thereafter, submit to Congress in the regular book of estimates, detailed estimates for the expenses of this Service'.

"(6) So much of the matter appearing under the heading 'Treasury Department' in the Act of August 26, 1912 (37 Stat. 596; U. S. C., title 31, sec. 583 (5)), as reads: 'Provided further, That estimates hereunder

shall be submitted in detail for the fiscal year 1914, and annually thereafter'.

"(7) The last sentence of the paragraph under the heading 'Federal Farm Loan Board' of the Act of September 8, 1916 (U. S. C., title 31, sec. 583 (7)), appearing on page 803 of volume 39 of the Statutes at Large; and the third and last paragraph under the heading 'Federal Farm Loan Bureau' of the Act of March 3, 1917 (U. S. C., title 31, sec. 583 (7)), appearing on page 1084 of volume 39 of the Statutes at Large.

"(8) The last sentence on page 48 of volume 30 of the Statutes at Large, in the Act of June 4, 1897 (U. S. C., title 31, sec. 583 (8)).

"(9) The first sentence of section 6 of the Act of March 3, 1919 (40 Stat. 1309; U. S. C., title 31, sec. 583 (10)).

"(10) The last proviso under the heading 'Office of the Chief Signal Officer' of the Act of March 2, 1907 (34 Stat. 1159; U. S. C., title 31, sec. 583 (11)).

"(11) The sixth full paragraph appearing on page 648 of volume 29 of the Statutes at Large in the Act of March 3, 1897 (U. S. C., title 31, sec. 583 (13)).

"(12) So much of the matter following the heading 'Bureau of Mines' in the Act of March 3, 1915 (38 Stat. 858; U. S. C., title 31, sec. 583 (14)) as reads: 'estimates shall be submitted specifically for all personal services required permanently and entirely in the Bureau of Mines at Washington, District of Columbia, and previously paid from lump-sum or general appropriations'.

"(13) The proviso at the end of the fourth paragraph on page 312 of volume 37 of the Statutes at Large, in the Act of August 17, 1912 (U. S. C., title 31, sec. 583 (15)).

"(14) The third paragraph appearing on page 1082 of volume 32 of the Statutes at Large, in the Act of March 3, 1903 (U. S. C., title 31, sec. 583 (16)).

"(15) So much of section 12 of the Act of June 26, 1906 (34 Stat. 480; U. S. C., title 31, sec. 583 (18)), as reads: 'and he shall annually submit to Congress estimates to cover the cost of the establishment and maintenance of fish hatcheries in Alaska, the salaries and actual traveling expenses of such officials, and for such other expenditures as may be necessary to carry out the provisions of this Act'.

"(16) The proviso at the end of the first full paragraph on page 456 of volume 32 of the Statutes at Large, in the Act of June 28, 1902 (U. S. C., title 31, sec. 583 (20)).

"(17) The second full paragraph on page 841 of volume 38 of the Statutes at Large, in the Act of March 3, 1915 (U. S. C., title 31, sec. 583 (21)).

"(18) The fourth full paragraph on page 2 of volume 38 of the Statutes at Large, in the Act of May 1, 1913 (U. S. C., title 31, sec. 583 (22)).

"(19) The proviso at the end of the second paragraph under the heading 'Bureau of Immigration and Naturalization' of the Act of March 4, 1907 (34 Stat. 1329, 1330; U. S. C., title 31, sec. 583 (23)).

"(20) The second full paragraph on page 374 of volume 35 of the Statutes at Large, in the Act of May 27, 1908 (U. S. C., title 31, sec. 583 (25)).

"(21) So much of the last paragraph on page 396 of volume 37 of the Statutes at Large, in the Act of August 23, 1912 (U. S. C., title 31, sec. 583 (26)), as reads: 'For the fiscal year nineteen hundred and fourteen and annually thereafter estimates in detail shall be submitted for all personal services required in the Indian Office'.

"(22) The proviso at the end of the first full paragraph on page 646 of volume 41 of the Statutes at Large, in the Act of May 29, 1920 (U. S. C., title 31, sec. 584).

"(23) Section 3660 of the Revised Statutes (U. S. C., title 31, sec. 585).

"(24) Section 4 of the Act of June 22, 1906 (34 Stat. 448; U. S. C., title 31, sec. 586).

"(25) Section 4 of the Act of March 4, 1909 (35 Stat. 907; U. S. C., title 31, sec. 587).

"(26) Section 2 of the Act of June 30, 1906 (34 Stat. 762; U. S. C., title 31, sec. 588); and the proviso in the first paragraph on page 1367 of volume 34 of the Statutes at Large, in the Act of March 4, 1907 (U. S. C., title 31, sec. 588).

"(27) Section 3661, as amended, of the Revised Statutes (U. S. C., title 31, sec. 589).

"(28) So much of the first paragraph on page 255 of volume 24 of the Statutes at Large, in the Act of August 4, 1886 (U. S. C., title 31, sec. 590), as reads: 'Provided further, That all printing and engraving for the Geological Survey, the Coast and Geodetic Survey, the Hydrographic Office of the Navy Department, and the Signal Service shall hereafter be estimated for separately and in detail, and appropriated for separately for each of said bureaus.'

"(29) Section 3662 of the Revised Statutes (U. S. C., title 31, sec. 591).

"(30) Section 3663 of the Revised Statutes, as amended (U. S. C., title 31, sec. 594).

"(31) Section 3664 of the Revised Statutes (U. S. C., title 31, sec. 597).

"(32) Section 3665 of the Revised Statutes (U. S. C., title 31, sec. 598).

"(33) The second paragraph under the heading 'Revenue-Cutter Service' in the Act of March 2, 1889 (25 Stat. 907; U. S. C., title 31, sec. 600).

"(34) So much of the second full paragraph on page 512 of volume 24 of the Statutes at Large, in the Act of March 3, 1887 (U. S. C., title 31, sec. 601), as reads: 'That the Secretary of the Treasury shall for the fiscal year eighteen hundred and eighty-seven, and for each fiscal year thereafter in the annual estimates, report to Congress the number of persons employed outside of the District of Columbia, as superintendents, clerks, watchmen and otherwise, and paid from appropriations for the construction of public buildings showing where said persons are employed, in what capacity, the length of time and at what rate of compensation.'

"(35) So much of the sixth full paragraph on page 374 of volume 26 of the Statutes at Large, in the Act of August 30, 1890 (U. S. C., title 31, sec. 601) as reads: 'and hereafter the Secretary of the Treasury shall annually report to Congress in the book of estimates a statement of the expenditure of the appropriation for "repairs and preservation of public buildings" which shall show the amount expended on each public building and the number of persons employed and paid salaries from such appropriation'.

"(36) So much of section 1317 of the Revenue Act of 1921 (42 Stat. 314; U. S. C., title 31, sec. 602) as reads: 'and the Secretary of the Treasury shall submit for the fiscal year 1921, and annually thereof, an estimate of appropriations to refund and pay back duties or taxes erroneously or illegally assessed or collected under the internal-revenue laws, and to pay judgments, including interests and costs, rendered for taxes or penalties erroneously or illegally assessed or collected under the internal-revenue laws'.

"(37) The first paragraph on page 133 of volume 22 of the Statutes at Large, in the Act of July 1, 1882 (U. S. C., title 31, sec. 603).

"(38) The eighth paragraph under the heading 'Foreign Intercourse' of the Act of May 3, 1905 (33 Stat. 1214; U. S. C., title 31, sec. 603).

"(39) The last paragraph on page 48 of volume 30 of the Statutes at Large, in the Act of June 4, 1897 (U. S. C., title 31, sec. 604).

"(40) The eighth paragraph under the heading 'Under the Engineer Department' of the Act of February 13, 1913 (37 Stat. 671; U. S. C., title 31, sec. 605).

"(41) The sixth paragraph under the heading 'Fortifications in Insular Possessions' of the Act of March 3, 1905 (33 Stat. 847; U. S. C., title 31, sec. 606).

"(42) So much of the first section of the Act of August 4, 1886 (24 Stat. 246; U. S. C., title 31, sec. 607), as reads: 'the estimates for the Army and Navy hospital service shall be submitted as a part of the military establishment'.

"(43) The first full paragraph on page 117 of volume 31 of the Statutes at Large, in the Act of April 17, 1900 (U. S. C., title 31, sec. 609).

"(44) Section 3668 of the Revised Statutes (U. S. C., title 31, sec. 610).

"(45) So much of the first paragraph on page 357 of volume 20 of the Statutes at Large, in the Act of March 3, 1879 (U. S. C., title 31, sec. 611), as reads: 'Provided, That hereafter, in making his estimates for railway mail service the Postmaster General shall separate the estimate for postal-car service from the general estimates; and in case any increase or diminution of service by postal cars shall be made by him, the reasons therefor shall be given in his annual report next succeeding such increase or diminution.'

"(46) So much of the first paragraph under the heading 'United States Geological Survey' in the Act of March 3, 1887 (24 Stat. 527; U. S. C., title 31, sec. 612), as reads: 'and hereafter the estimates for the Geological Survey shall be itemized.'

"(47) The first paragraph on page 455 of volume 32 of the Statutes at Large, in the Act of June 28, 1902 (U. S. C., title 31, sec. 612).

"(48) Section 4 of the Act of August 15, 1876 (19 Stat. 200; U. S. C., title 31, sec. 613).

"(49) The fourth paragraph of section 26 of the Act of June 30, 1913 (38 Stat. 103; U. S. C., title 31, sec. 613).

"(50) The eighth full paragraph on page 1421 of volume 36 of the Statutes at Large, in the Act of March 4, 1911 (U. S. C., title 31, sec. 614).

"(51) The eighth full paragraph on page 1206 of volume 33 of the Statutes at Large, in the Act of March 3, 1905 (U. S. C., title 31, sec. 615).

"(52) The fourth full paragraph under the heading 'Government in the Territories' of the Act of July 16, 1914 (38 Stat. 479; U. S. C., title 31, sec. 616).

"(53) The first full paragraph on page 492 of volume 39 of the Statutes at Large, in the Act of August 11, 1916 (U. S. C., title 31, sec. 617).

"(54) The proviso in the first paragraph under the heading 'Rent in the District of Columbia' of the Act of March 4, 1915 (38 Stat. 1108; U. S. C., title 31, sec. 617).

"(55) The seventh paragraph on page 433 of volume 32 of the Statutes at Large, in the Act of June 28, 1902 (U. S. C., title 31, sec. 618).

"(56) The ninth full paragraph on page 755 of volume 36 of the Statutes at Large, in the Act of June 25, 1910 (U. S. C., title 31, sec. 618).

"(57) The fourth full paragraph on page 362 of volume 27 of the Statutes at Large, in the Act of August 5, 1892 (U. S. C., title 31, sec. 619).

"(58) The first full paragraph on page 764 of volume 36 of the Statutes at Large, in the Act of June 25, 1910 (U. S. C., title 31, sec. 620).

"(59) Section 6 of the Act of August 1, 1914 (38 Stat. 679; U. S. C., title 31, sec. 621).

"(60) The last full sentence in the first paragraph on page 254 of volume 23 of the Statutes at Large, in the Act of July 7, 1884 (U. S. C., title 31, sec. 622).

"(61) Section 5 of the Act of June 30, 1906 (34 Stat. 763; U. S. C., title 31, sec. 626).

"(62) The proviso at the end of the first paragraph on page 579 of volume 37 of the Statutes at Large, in the Act of August 24, 1912 (U. S. C., title 31, sec. 626).

"(63) Section 7, as amended, of the Act of August 26, 1912 (37 Stat. 626; 37 Stat. 790; U. S. C., title 31, sec. 629).

"(64) The fourth full paragraph on page 854 of volume 37 of the Statutes at Large, in the Act of March 4, 1913 (U. S. C., title 31, sec. 630).

"(65) The proviso at the end of the seventh paragraph on page 1030 of volume 31 of the Statutes at Large, in the Act of March 3, 1901 (U. S. C., title 31, sec. 633).

"(66) The second paragraph under the heading 'Contingent, Bureau of Ordnance' of the Act of July 12, 1921 (42 Stat. 128; U. S. C., title 31, sec. 636), down through the first proviso therein.

"(67) So much of the third paragraph under the heading 'Contingent Expenses, Navy Department' of the Act of June 22, 1906 (34 Stat. 427; U. S. C., title 31, sec. 637), as reads: 'and hereafter it shall not be lawful to expend, for any of the offices or bureaus of the Navy Department at Washington, any sum out of appropriations made for the naval establishment for any of the purposes mentioned or authorized in the said foregoing paragraph'.

"(68) So much of the paragraph under the heading 'Increase of the Navy, Equipment' of the Act of March 3, 1915 (38 Stat. 952; U. S. C., title 31, sec. 648), as reads: 'and beginning with July first, nineteen hundred and fifteen, equipment outfits shall be charged to appropriation "Increase of the Navy, Construction and Machinery".'

"(69) The two provisos in the paragraph under the heading 'Fuel and Transportation' of the Act of March 3, 1915 (38 Stat. 944; U. S. C., title 31, sec. 649).

"(70) The proviso in the tenth paragraph on page 236 of volume 23 of the Statutes at Large, in the Act of August 6, 1894 (U. S. C., title 31, sec. 650).

"(71) The fourth full paragraph on page 1175 of volume 34 of the Statutes at Large, in the Act of March 2, 1907 (U. S. C., title 31, sec. 655).

"(72) So much of the first full paragraph on page 1391 of volume 42 of the Statutes at Large, in the Act of March 2, 1923 (U. S. C., title 31, sec. 656), as reads: 'and the Budget estimates for each of such appropriations shall hereafter carry separately the amounts required for such transportation costs'.

"(73) The proviso in the seventh full paragraph on page 520 of volume 32 of the Statutes at Large, in the Act of June 30, 1902 (U. S. C., title 31, sec. 657).

"(74) The proviso in lines 2 through 8 on page 710 of volume 36 of the Statutes at Large, in the Act of June 25, 1910 (U. S. C., title 31, sec. 664).

"(75) Section 3682 of the Revised Statutes (U. S. C., title 31, sec. 674).

"(76) Section 3683 of the Revised Statutes (U. S. C., title 31, sec. 675).

"(77) The second full paragraph on page 1303 of volume 41 of the Statutes at Large, in the Act of March 3, 1921 (U. S. C., title 31, sec. 676).

"(78) The proviso in lines 7 through 17 on page 203 of volume 20 of the Statutes at Large, in the Act of June 19, 1878 (U. S. C., title 31, sec. 677).

"(79) Section 3684 of the Revised Statutes (U. S. C., title 31, sec. 681).

"(80) Section 6 of the Act of May 30, 1908 (U. S. C., title 31, sec. 683).

"(81) So much of the paragraph under the heading "Pay of Assistant Custodians and Janitors" on pages 1153 and 1154 of volume 31 of the Statutes at Large, in the Act of March 3, 1901 (U. S. C., title 31, sec. 684), as reads: 'and hereafter no other fund appropriated shall be used for this service'.

"(82) The second paragraph under the heading 'United States Commerce Court' of

the Act of March 4, 1911 (36 Stat. 1234; U. S. C., title 31, sec. 687).

"(83) Section 26 of the Act of June 30, 1913 (38 Stat. 103; U. S. C., title 31, sec. 688).

"(84) Section 400 of the Second Deficiency Appropriation Act, 1947 (U. S. C., title 31, sec. 694).

"(85) Section 607 of the Act of June 30, 1945, as amended (59 Stat. 304; U. S. C., title 5, sec. 947).

"(86) Section 3 of the Act of March 3, 1875, as amended (18 Stat. 370; U. S. C., title 31, sec. 624).

"(87) So much of the Act of March 26, 1934, as amended (48 Stat. 466; U. S. C., title 5, sec. 118c), as reads: 'with the Budget estimate'.

"(88) So much of the paragraph under the heading 'Department of State' in the Act of August 5, 1909 (36 Stat. 119; U. S. C., title 5, sec. 157), as reads: 'and estimates for further appropriations hereunder shall include in detail salaries for all persons to be employed and paid in the Department of State at Washington, District of Columbia'.

"(89) The last proviso under the heading 'Working Capital Fund' in the Act of July 12, 1943 (57 Stat. 393; U. S. C., title 5, sec. 558a).

"(90) So much of section 17 of the Act of May 22, 1920, as amended (41 Stat. 620; U. S. C., title 5, sec. 730), as reads: 'annually to the Bureau of the Budget'.

"(91) Section 31 of the Act of September 7, 1916, as amended (39 Stat. 749; U. S. C., title 5, sec. 782).

"(92) The last sentence of section 35 of the Act of September 7, 1916, as amended (39 Stat. 749; U. S. C., title 5, sec. 785).

"(93) So much of section 1 of the Act of October 1, 1890 (26 Stat. 653; U. S. C., title 10, sec. 214) as reads: 'and the Signal Corps of the Army shall remain a part of the Military Establishment under the direction of the Secretary of War, and all estimates for its support shall be included with other estimates for the support of the Military Establishment'.

"(94) The last proviso of section 4 of the Act of March 12, 1926 (44 Stat. 206; U. S. C., title 10, sec. 1597).

"(95) So much of section 1 of the Act of June 12, 1917, as amended (40 Stat. 153; U. S. C., title 16, sec. 452), as reads: 'and the Secretary of the Interior is directed to submit, for the fiscal year nineteen hundred and nineteen and annually thereafter, estimates of the amounts required for the care, maintenance, and development of the said parks.'

"(96) So much of section 1 of the Act of July 24, 1876, as amended (19 Stat. 99; U. S. C., title 24, sec. 278), as requires estimates for the care and maintenance of the national military cemeteries to be submitted annually by the Director of the National Park Service.

"(97) So much of section 1 of the Act of January 24, 1923 (42 Stat. 1208; U. S. C., title 31, sec. 12), as reads: 'The aggregate of all estimates of appropriations from the "reclamation fund" contained in the Budget for any fiscal year shall be included in the totals of the Budget for that year.'

"(98) The second paragraph under the heading 'Pay, Miscellaneous' of the Act of March 3, 1909 (35 Stat. 754; U. S. C., title 31, sec. 609a).

"(99) The third paragraph under the heading 'Office of the Fourth Assistant Postmaster General' of the Act of June 9, 1896 (29 Stat. 316; U. S. C., title 31, sec. 610a).

"(100) The last proviso under the heading 'National Home for Disabled Volunteer Soldiers' of the Act of October 2, 1888, as amended (25 Stat. 543; U. S. C., title 31, sec. 719).

"(101) Section 119 of the Act of June 3, 1916 (39 Stat. 213; U. S. C., title 32, sec. 25).

"(102) So much of the fourth full paragraph on page 558 of volume 39 of the Statutes at Large in the Act of August 29, 1916 (U. S. C., title 34, sec. 504), as reads: 'and

the Secretary of the Navy shall each year, in the annual estimates, report to Congress the number of persons so employed, their duties, and the amount paid to each'.

"(103) The last proviso in the third paragraph on page 377 of volume 37 of the Statutes at Large in the Act of August 23, 1912 (U. S. C., title 39, sec. 769).

"(104) Section 27 of the Act of January 12, 1895, as amended (28 Stat. 604; U. S. C., title 44, sec. 37).

"(105) The eighth full paragraph on page 382 of volume 35 of the Statutes at Large in the Act of May 27, 1908 (U. S. C., title 44, sec. 37).

"(106) The last paragraph under the heading 'Government in the Territories' in the Act of June 20, 1874 (18 Stat. 99; U. S. C., title 48, sec. 1456).

"SAVING PROVISIONS

"Sec. 302. (a) The omission of any provision of law from the provisions of law repealed under section 301 shall not be construed as limiting the application of section 201 or 216 of the Budget and Accounting Act, 1921, as amended, or the powers of the President thereunder, or as evidencing an intent that such provision was not to be superseded by such sections.

"(b) Whenever any law authorizes expenditures for a particular object or purpose to be made from an appropriation item referred to in such law by the specific title theretofore used for that appropriation item in the appropriation Act concerned, and thereafter such title is changed or is eliminated from such appropriation Act, expenditures for such object or purpose thereafter may be made from any corresponding appropriation item.

"(c) Except where authority for performance of a function is specifically repealed in section 301, none of the provisions of such section shall be construed as affecting the jurisdiction or responsibility of any agency or officer of the Government over any function or organizational unit referred to in such section.

"(d) Existing laws, policies, procedures and directives pertaining to functions covered by this Act, and not inconsistent herewith or repealed hereby, shall remain in full force and effect unless and until superseded, or except as they may be amended, under the authority of this Act or under other appropriate authority."

And the Senate agree to the same.

WM. L. DAWSON,

FRANK M. KARSTEN,

HAROLD O. LOVRE,

Managers on the Part of the House.

JOHN L. MCCLELLAN,

CLYDE R. HOEY,

KARL E. MUNDT,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9038) to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate struck out all of the House bill after the enacting clause and inserted a substitute text. The House recedes from its disagreement to the Senate amendment with an amendment which is a substitute for both the House bill and the Senate amendment. Except for technical and minor drafting changes, the differences between the House bill, the Senate amendment, and the conference substitute are explained below.

Section 101 of the House bill added to section 2 of the Budget and Accounting Act, 1921, language which defines the term "appropriations" to include, wherever appropriate, funds and authorizations to create obligations by contract in advance of appropriations. The Senate amendment added to such definition the words "or any other authority making funds available for obligation or expenditure" in order to broaden the scope of the term "appropriations" and make it more inclusive. The conference substitute retains the language added by the Senate amendment.

In retaining the language of the Senate amendment, the committee wishes to make it clear that it is not intended to change the form of the estimates now submitted for wholly owned Government corporations under the Government Corporation Control Act, or to affect the Federal Deposit Insurance Corporation or its funds. The funds of the Federal Deposit Insurance Corporation are received from assessments on insured banks and are used only for the purposes of deposit insurance. These funds have never been under the Budget and Accounting Act for the reason that they are not Government moneys or appropriations and there was no intention of including such funds in this amendment.

Section 102 of the House bill amended section 201 of the Budget and Accounting Act, 1921, to provide that the Budget shall set forth, among other things, in form and detail determined by the President, the functions and activities of the Government. The Senate amendment added the words "constituting a performance budget" as a description of the resulting form of the Budget. The matter of submission of the Budget on the basis of functions and activities does not depend upon the words added by the Senate amendment but upon the specific requirement to that effect included in both the House bill and the Senate amendment that functions and activities be shown. Therefore the words "constituting a performance budget" have been eliminated as surplusage from the conference substitute, since these additional words might in the future be given a restrictive construction not intended.

The House bill contains a provision in section 102 (c) amending subsection 204 (b) of the Budget and Accounting Act, 1921, to insure that the so-called "green sheets," giving information as to personal service and other objects of expenditure, would accompany the Budget. The House provision with respect to waiver or modification of the requirements of such subsection would permit the green sheet procedure to be dispensed with in whole or in part if the appropriations committees jointly should find such action desirable. The Senate amendment contained no comparable provision. The conference substitute adopts the House provision.

Section 103 of the Senate amendment gave authority to the head of each department and establishment in the executive branch of the Government to make certain transfers and adjustments between appropriations within his department or establishment during a transitory period of two fiscal years following the date of enactment in order to reflect the financial requirements of the functions and activities of the department or establishment. The House bill contained no comparable provision. The conference substitute eliminates this provision of the Senate amendment.

Section 201 of the Senate amendment gives the head of each department and establishment in the executive branch of the Government the authority to make transfers and adjustments between appropriations within his department or establishment with the approval of the President. The House bill contained no comparable provisions. While

section 201 of the Senate amendment has certain desirable features, it was the opinion of the conferees that the section should be given further consideration and study by the Congress. The conference substitute eliminates this provision of the Senate amendment.

Section 203 of the Senate amendment provided for reserves to be established, and modified from time to time, against appropriations when the President determines the purposes of the Congress could be accomplished with lesser expenditures. The House bill contained no comparable provision. In view of the similar and more general authority provided in section 1111 of the General Appropriation Act, 1951, as passed by both Houses, the conference substitute eliminates section 203 as unnecessary.

WM. L. DAWSON,
FRANK M. KARSTEN,
HAROLD O. LOVRE,

Managers on the Part of the House.

PHILIPPINE PROPERTY ACT OF 1946

Mr. CARNAHAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 8546) to amend the Philippine Property Act of 1946.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman please explain this bill?

Mr. CARNAHAN. This bill will allow the Philippine Alien Property Custodian to clear up his cases by June 30 of next year, and it provides that claims will then have to be filed in the United States courts rather than in the courts of the Philippines.

Mr. VORYS. Mr. Speaker, further reserving the right to object, there are 90 more days given for filing claims in the Philippines, and then the suits must be filed in the United States.

Mr. CARNAHAN. That is right.

Mr. VORYS. And it has a unanimous report, I believe.

Mr. CARNAHAN. That is right.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from New York.

Mr. TABER. I wonder to what date that 90-day provision will carry?

Mr. CARNAHAN. Ninety days after the date that this act would go into effect.

Mr. TABER. When will the 90 days begin to run and when would it end?

Mr. CARNAHAN. After the enactment of this bill.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the final proviso of section 3 of the Philippine Property Act of 1946 (60 Stat. 418) is hereby amended to read as follows: "And provided further, That any suit authorized under the Trading With the Enemy Act, as amended, with respect to property vested in or transferred to the President of the United States, the Alien

Property Custodian, or any officer or agency designated by the President of the United States hereunder, which at the time of such vesting or transfer was located within the Philippines, shall after July 4, 1946, be brought, in the appropriate court of first instance of the Republic of the Philippines, against the officer or agency hereunder designated by the President of the United States with such right of appeal therefrom as may be provided by law, but suits with respect to such property shall after 90 days from the enactment of this act be brought only in the courts of the United States."

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

SETTLEMENT OF CLAIMS FOR LOSSES AND DAMAGES INFLICTED UPON THE PORTUGUESE TERRITORY OF MACAO

Mr. CARNAHAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9894) to authorize the Secretary of the Treasury to effect the settlement of claims for losses and damages inflicted upon the Portuguese territory of Macao by United States armed forces during World War II in violation of neutral rights.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I understand this involves only the small payment of \$200,000 to a country which was of great help to the allied cause during the last war. The Portugal Government was a friendly neutral and generously gave us airports which permitted us to prosecute the war. This is but a belated acknowledgment of our indebtedness.

Mr. CARNAHAN. That is right.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay the sum of 1,172,762.39 patacas with interest at the rate of 7.149 patacas daily from December 31, 1949, to the date of payment to the Government of Portugal in full and final settlement of claims for losses and damages inflicted by United States Armed Forces upon persons and property in the territory of Macao during World War II in violation of neutral rights; and there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$202,559.52 together with such additional sums as may be necessary, due to any increase in the exchange rate or to the accumulation of interest to carry out the terms of the settlement.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

PROCEEDINGS AGAINST EDWARD A. RUMELY

Mr. BUCHANAN. Mr. Speaker, I submit a privileged report from the Select Committee on Lobbying Activities.

The SPEAKER. The Clerk will read the report.

The Clerk read as follows:

REPORT CITING EDWARD A. RUMELY

The House Select Committee on Lobbying Activities, created by the House of Representatives under House Resolution 298 of the Eighty-first Congress, was authorized and directed to conduct a study and investigation of (1) all lobbying activities intended to influence, encourage, promote, or retard legislation; and (2) all activities of the agencies of the Federal Government intended to influence, encourage, promote, or retard legislation.

The Committee for Constitutional Government, Inc., 205 East Forty-second Street, New York, N. Y., and its executive secretary, Edward A. Rumely, have registered and reported as lobbyists under the Federal Regulation of Lobbying Act since October 7, 1946. Since that date the Committee for Constitutional Government, Inc., has reported spending approximately \$2,000,000. One of the chief functions of the Committee for Constitutional Government, Inc., is the distribution of books and pamphlets presenting one side of national legislative issues. In the period 1937 to 1944, prior to the enactment of the Federal Regulation of Lobbying Act of 1946, the Committee for Constitutional Government, Inc., distributed some 82,000,000 booklets, pamphlets, and other pieces of literature, or at the rate of about 12,000,000 pieces a year.

The Committee for Constitutional Government, Inc., accepts two types of contributions:

1. Those under \$490.
2. Those over \$490.

Contributions under \$490 are accepted in any form; i. e., cash, check, for the general fund of the committee, or for specific purposes, like distribution of copies of John T. Flynn's book, *The Road Ahead*.

Contributions of more than \$490 are accepted in only one form, i. e., for specific purposes. Anyone wishing to give the Committee for Constitutional Government, Inc., more than \$490 must state the specific purpose for which the contribution is to be used, and that purpose must be to distribute one or more of the committee's pamphlets, books, and so forth. The Committee for Constitutional Government, Inc., then applies the term "sale" to such contributions and does not report them as contributions under the Federal Regulation of Lobbying Act.

Our study of this organization indicates very clearly that its most important function is the distribution of books and pamphlets in order to influence legislation directly and indirectly. It attempts to influence legislation directly by sending copies of books, pamphlets, and other printed materials to Members of Congress. It attempts to influence legislation indirectly by distributing hundreds of thousands of copies of these printed materials to people throughout the United States.

Of particular significance is the fact that Edward A. Rumely and the Committee for Constitutional Government, Inc., in recent years have devised a scheme for raising enormous funds without filing true reports pursuant to the provisions of the Federal Regulation of Lobbying Act. This scheme has the color of legality but in fact is a method of circumventing the law. It utilizes the system outlined above whereby contributions to the Committee for Constitutional Government are designated as payments for the purchase of books, which are transmitted to others at the direction of the purchaser, with both the contributor of the money and the recipients of the books totally unaware of the subterfuge in most cases.

The establishment of a separate category of money received from the sale of books

and pamphlets benefits the Committee for Constitutional Government in that it permits it to accomplish distribution of propaganda at reduced expenses.

The distribution of printed material to influence legislation indirectly by influencing public opinion is the basic function of the Committee for Constitutional Government. If a person gives a sum of money to the Committee for Constitutional Government to help them in their work, this money must bear the expense of distribution of the printed material. On the other hand, when a contributor makes his contribution under the guise of a purchase of books and pamphlets, and distributes them himself, the distribution is accomplished without expense to the Committee for Constitutional Government.

A Committee for Constitutional Government pamphlet *Octopus* on the Potomac, indicated that the Committee for Constitutional Government, Inc., is well aware of the savings inherent in this method of operation. It noted that—

"A telephone girl * * * could mail out 1,000 or more * * * folders in a few days during her slack time.

"Use the * * * folder as a 'tuck-in' in mail to suppliers, place bulk quantities at meetings of service clubs. Professional men may welcome receiving bulk quantities to distribute from their reception rooms. Some firms have mailed thousands of such enclosures when sending dividend checks to stockholders."

Because of the refusal of the Committee for Constitutional Government, Inc., to produce pertinent financial records, this committee was unable to determine whether or not the Committee for Constitutional Government, Inc., is evading or violating the letter or the spirit of the Federal Regulation of Lobbying Act by the establishment of class or contributions called "Receipts from the sale of books and literature," or whether they are complying with a law which requires amendments to strengthen it.

The policy of the Committee for Constitutional Government, Inc., of refusing to accept contributions of more than \$490 unless earmarked for books, etc., may also involve: (1) Dividing large contributions into installments of \$490 or less, and causing the records of the Committee for Constitutional Government to reflect receipt of each installment on a different date, and/or causing the records of the Committee for Constitutional Government to give credit for the several installments, to various relatives and associates of the actual contributor. (2) Causing the Committee for Constitutional Government's records as to "contributions" to reflect less than the total amount of contributions actually received, by labeling some part of such funds as payments made for printed matter.

Because of the refusal of the Committee for Constitutional Government, Inc., to produce pertinent financial records, this committee was unable to determine whether or not the Federal Regulation of Lobbying Act requires amendment to prevent division of large contributions into installments, or to prevent the crediting of contributions to others than the real contributor, or to prevent the use of other subterfuges.

Some of the booklets and pamphlets distributed by this lobby are as follows: *The Road Ahead*, by John T. Flynn; *Why the Taft-Hartley Law*, by Irving G. McCann; *Compulsory Medical Care and the Welfare State*, by Melchior Palyl.

Postal cards, dodgers, and leaflets are used to stimulate contributions to aid the Committee for Constitutional Government, Inc., distribute these books. These solicitations tie the books in with legislation. For example:

(a) A postcard, set forth in the record as exhibit A of the committee's proceedings under the date of June 27, 1950, soliciting

mass purchases of the *Road Ahead*, states that "if you and others help distribute to millions this eye-opening book, they will see the perils ahead and reverse our movement into socialism."

(b) A leaflet, set forth in the record as exhibit B of the committee's proceedings under the date of June 27, 1950, entitled "*Rent Control Plunderbund*," sets out arguments against rent control, notes that "rent control is one step leading to socialism in the United States of America. Read the *Road Ahead* if you want to know the entire story. * * * Send this folder to others and help accomplish wide distribution. * * * Write for a quantity of these folders and send one to your councilman, to your mayor, your Congressman and Senator; and to your State legislators. Send them with a brief note expressing your own opinion; distribute them to friends, members of service clubs, to tenants and landlords, fellow employees or stockholders; to your physician, dentist, and lawyer; mail a copy to the editor of your newspaper."

(c) A leaflet set forth in the record as exhibit C of the committee's proceedings under the date of June 27, 1950, entitled "*Our Medical Schools—Will They Be Next? S. 1453 Would Set Pattern for Nationalization of All Professional Schools*," gives arguments against this bill (which is also H. R. 5940), the so-called *Emergency Professional Health Training Act* of 1949. This leaflet notes that many physicians have reexamined their position on this bill—

"Such reappraisal has been sharply stimulated by John T. Flynn's current book, *The Road Ahead* * * * (which) leaves no room for doubt as to the inevitable destination of our present course. If every thinking person could be induced to read this book, to use it as a text, and to tell his Senators and Congressmen what he expects of them, it might turn the tide."

(d) A leaflet set forth in the record as exhibit D of the committee's proceedings under date of June 27, 1950, entitled "*Compulsory Medical Care and the Welfare State*," contains quotations in praise of this book and a reprint of an editorial, *Sugar Coated Tyranny*. The editorial notes that the book "is of primary importance to American today. * * * Armed with such material as is included between the covers of *Compulsory Medical Care and the Welfare State*, you may be able to ward off this calamity."

This book was not published by the Committee for Constitutional Government, Inc., but is being distributed by that group.

(e) A leaflet set forth in the record as exhibit E of the committee's proceedings under the date of June 27, 1950, entitled "*Why the Taft-Hartley Law?*" outlines the nature of the book, which favors that law. I note:

"As soon as the book comes from the presses, free distribution must be made to top-level, opinion-molding groups such as 16,000 editors and publishers of daily and weekly newspapers—religious, labor, farm, etc.—to Members of Congress, to 7,000 State legislators and governors, to 40,000 farm leaders, 1,700 presidents of universities, etc."

A note at the bottom of the order form reads:

"Purchase of educational literature to educate public opinion in upholding constitutional principles on which our free enterprise system rests, is legitimate corporate expenditure."

(f) A leaflet set forth in the record as exhibit F of the committee's proceedings under the date of June 27, 1950, entitled "*Wagner Act Should Be Repealed*" states five reasons why this law should be repealed, then advertises *Labor Monopolies—or Freedom*, by John Scoville, which shows why you cannot have both.

The leaflet continues:

"Express your convictions to your Senators and Congressmen. Enclose with your

votes of the two Houses thereon, and that Mr. VINSON, Mr. BROOKS, Mr. KILDAY, Mr. SHORT, and Mr. ARENDS were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3409) to establish a new Grand Teton National Park in the State of Wyoming, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to bill (S. 3959) to amend the Federal Property and Administrative Services Act of 1949, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 4071) to provide allowances for dependents of enlisted members of the uniformed services, to suspend certain provisions of the Career Compensation Act of 1949, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1271) for the relief of Carl E. Lawson and Fireman's Fund Indemnity Co.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2233) for the relief of Ewa Plantation Co., a Hawaiian corporation.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7302) to amend the Act of July 14, 1943, relating to the establishment of the George Washington Carver National Monument, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8028) to authorize the Secretary of the Interior to dispose of the remaining Government lots in the town site of St. Marks, Fla.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8594) to provide for the acquisition, construction, expansion, rehabilitation, conversion, and joint utilization of facilities necessary for the administration and training of units of the Reserve components of the Armed Forces of the United States, and for other purposes.

The message further announced that the House had agreed to the report of

the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9038) to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 3905) to amend section 3121 of the Internal Revenue Code; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DOUGHTON, Mr. COOPER, Mr. MILLS, Mr. REED of New York, and Mr. WOODRUFF were appointed managers on the part of the House at the conference.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the Vice President:

S. 3934. An act to facilitate compliance with the treaty between the United States of America and the United Mexican States signed February 3, 1944; and

H. J. Res. 385. Joint resolution to provide for the acceptance on behalf of the United States of a memorial plaque to the memory of Stephen Collins Foster, and for other purposes.

BUDGET AND ACCOUNTING PROCEDURES ACT OF 1950—CONFERENCE REPORT

Mr. McCLELLAN. Mr. President, I submit a conference report on the bill (H. R. 9038) to authorize the President to determine the form of the national budget and departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

(For conference report see p. 13708 of the House proceedings of August 25, 1950.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

Mr. WATKINS. Mr. President, may we have an explanation of the salient points of the agreement on this bill?

Mr. McCLELLAN. Mr. President, I may say there were very few major differences between the House and Senate regarding the two bills. The bills as introduced were identical. An amendment was offered on the floor of the House, which was agreed to. It related to the provision regarding the so-called green sheets, which Representative TABER was very anxious to retain in the bill. The Senate yielded on that question. The amendments which were adopted on the floor of the Senate, offered by the Senator from Virginia, are also retained in the conference report. The report is unanimous. There are no material or major changes in the bill, either as it passed the House or as it passed the Senate.

Mr. WATKINS. Do I correctly understand that the conferees were unanimous in submitting this report?

Mr. McCLELLAN. That is correct.

Mr. WATKINS. I have no objection.

Mr. SMITH of New Jersey. Mr. President, on August 9, 1950, on the call of the calendar, the Senate passed with amendments and sent to conference H. R. 9038, the companion bill to S. 3850, which provides for the modernization of governmental accounting procedures. The conference report is now before the Senate for consideration.

This bill deals with a most important but complex matter. At the request of the Citizens Committee for the Hoover Report, I ask unanimous consent to have inserted in the body of the RECORD following my remarks an analysis of the bill prepared by the staff of the citizens committee.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

CITIZENS COMMITTEE FOR THE HOOVER REPORT, Washington, D. C., July 20, 1950.

CIRCULAR LETTER NO. 8—MEMORANDUM ON PROPOSED BUDGET AND ACCOUNTING PROCEDURES ACT OF 1950

A new Budget and Accounting Procedures Act of 1950 has been reported favorably by the Senate and House Committees on Expenditures. This measure has the full approval of the Secretary of the Treasury, the Director of the Budget, and the Comptroller General of the United States. The measures (S. 3850 and H. R. 9038), which are in most respects identical, are scheduled for early action in the respective branches of Congress.

Joint support from the three principal fiscal officials of the Government gives the bill such strength as to make its enactment at the present session highly probable.

Principal accounting provisions of the bill are contrary to a specific recommendation of the Hoover Commission. Primary accounting and auditing authorities are vested in the Comptroller General, an agent of the Congress. The Hoover Commission stated that the accounting should be a function of the executive branch under an Accountant General in the Treasury, and that the auditing should be under the Comptroller General. This is a most important difference. Proponents of the bill claim, however, that under its terms most of the specific objectives of the Commission can be achieved.

Because the bill does not follow a fundamental Hoover Commission recommendation, the citizens committee takes no stand whatsoever with respect to its accounting provisions.

The citizens committee does not wish to oppose major reorganization measures which are only in partial accord with recommendations of the Hoover Commission or which differ on one or two particulars, even on major ones. Obviously, the Hoover Commission had no monopoly on good ideas in the field of reorganization. The citizens committee must, however, always analyze reorganization measures and point out the extent of conformance or variance with the majority recommendations of that Commission.

S. 3850, designated as the Budget and Accounting Procedures Act of 1950, accords in some respects with recommendations of the Hoover Commission but is at variance with them in others.

The committee's views are set forth below in summary form:

I. The budgeting provisions of part I of title I and miscellaneous provisions and re-

peals in titles II and III conform fully with the Commission's views.

II. The accounting and auditing provisions in part II of title I run counter to the Commission's aims in two major respects:

(a) Failure to vest primary responsibility for accounting in the executive branch of the Government and the strengthening instead of the authority of the Comptroller General, an agent of the legislative branch. The bill provides that the Comptroller General shall prescribe principles, standards, and related requirements for accounting to be observed by executive agencies. The Hoover Commission placed primary responsibility for accounting methods and procedures in a new Accountant General in the Treasury Department, such methods and procedures to be subject to the approval of the Comptroller General.

(b) Failures to make clear assignments of responsibilities for such accounting duties as are given the executive branch and failure to vest these responsibilities in any single official. The Secretary of the Treasury is directed to make financial reports and to provide an operating center for the consolidation of accounting results of other executive departments and agencies. He is not, however, given the authority to supervise, or direct, or even guide accounting activities throughout the executive branch as contemplated through an Accountant General in the Treasury Department recommended by the Hoover Commission. Defects in present laws include wide gaps in executive responsibilities for adequate accounting; and the absence of any official in the executive branch with authority over accounting to whom officials in the various agencies may turn.

III. Certain definite operating improvements and economies in line with the recommendations of the Hoover Commission should result from the accounting provisions of the bill, despite the variance from major policy proposals. The powers given to the Comptroller General would center responsibility for accounting to an extent that is lacking at present. These powers would be such as to make possible the implementation of accounting reforms developed in the Hoover report and in present joint voluntary program of the Comptroller General, the Secretary of the Treasury, and the Director of the Budget. Progress can be made toward elimination of duplicative and cumbersome procedures and inconsistent and improper application of accounting principles and practices. As recommended by the Hoover Commission, it should be possible to save money by eliminating the legal requirement that millions of expenditure vouchers and supporting papers be sent to Washington and to eliminate or modify such antiquated fiscal procedures as are required under the obsolete warrant system.

An analysis of the bill, with an amplification of these and other points, is attached to this memorandum as appendix A.

SAVINGS

Estimates submitted by the task force of the Hoover Commission dealing with this subject indicated that adoption of a simplified system of accounting throughout the Government under the supervision of the proposed Accountant General in the Treasury Department should result in a reduction of 6,000 employees at an average salary of \$3,400, or a total saving of \$20,400,000 annually. S. 3850, despite its defects, should offer opportunities for considerable savings along this line. Certainly, under the proposed legislation, it should be possible to cut the staff of the General Accounting Office by about 50 percent, preferably in the 1952 budget and, almost surely, in the 1953 budget, through passage of the proposed bill.

PERFORMANCE BUDGETING

A comprehensive overhauling of accounting practices, aside from savings, is of great importance toward the successful operation of the new performance or program budget system recommended by the Hoover Commission. Part I of title I of S. 3850 is designed to provide such changes in law as are desirable to assure the fullest effectiveness of the performance budget, already adopted to a considerable extent by the Bureau of the Budget in the submission of the 1951 budget last January.

One weakness in S. 3850, to which attention should be called, is the omission of any provisions with respect to present statutory responsibilities of the Comptroller General regarding information to be furnished to the Congress.

EXPENDITURES ANALYSIS BY GAO

Section 312 of the Budget and Accounting Act of 1921 directed the Comptroller General to make investigations and reports regarding the receipt, disbursements and application of public funds and the adequacy and effectiveness of fiscal practices. The Legislative Reorganization Act of 1946 in section 206 directed the Comptroller General to make an expenditure analysis of each agency in the executive branch, including Government corporations, to enable Congress to determine whether public funds have been economically and efficiently administered and expended.

While audits have been made of Government corporations under authority of the Government Corporation Control Act of 1945, the Comptroller General has done little toward carrying out the requirements on these points of either the Budget and Accounting Act of 1921 or the Legislative Reorganization Act of 1946.

S. 3850 does not specifically repeal any of these provisions. Absence of any reference to them, however, in the policy declarations or otherwise might be construed as minimizing their importance. The provisions in question could be of great value as means toward the improvement of fiscal practices.

Certainly, it is not the intent of Congress, unknowingly, to weaken its own hand by this measure.

SUGGESTED AMENDMENTS

The citizens committee believes that the Congress, before enacting S. 3850, will wish to consider carefully such proposals as may be made to bring it into closer conformance with the recommendations of the Hoover Commission. Some suggestions in this direction are contained in appendix B.

CONCLUSION

In conclusion, the citizens committee is unable to certify that S. 3850 is fully in conformance with recommendations of the Hoover Commission. The bill could be brought into closer conformance if amended in a number of particulars as suggested in appendix B.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the report was considered and agreed to.

AMENDMENTS TO FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949—CONFERENCE REPORT

Mr. McCLELLAN. Mr. President, I submit a conference report on the bill (S. 3959) to amend the Federal Property and Administrative Services Act of 1949, and for other purposes, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER (Mr. WITHERS). The report will be read for the information of the Senate.

(For conference report see p. 13703 of the House proceedings for August 25, 1950.)

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection the Senate proceeded to consider the report.

Mr. McCLELLAN. Mr. President, I might state that the conferees were unanimous in their report. The differences between the two bills were largely clerical. They did not represent major differences. The amendment is recommended by the different bureaus affected, and I am sure there could be no objection to the bill as agreed upon.

The PRESIDING OFFICER. The question is on agreeing to the report.

The report was agreed to.

DISSEMINATION OF TECHNOLOGICAL, SCIENTIFIC, AND ENGINEERING INFORMATION

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 868) to provide for the dissemination of technological, scientific, and engineering information to American business and industry, and for other purposes, which were, on page 2, line 3, strike out "collection, dissemination, and exchange" and insert "collection and dissemination"; on page 2, strike out lines 23 to 25 inclusive, and on page 3, strike out lines 1 to 12, inclusive; on page 3, line 14, strike out "Sec. 4." and insert "SEC. 3."; on page 4, line 21, strike out "SEC. 5." and insert "SEC. 4."; on page 5, line 5, strike out "SEC. 6." and insert "SEC. 5."; on page 5, line 17, strike out "SEC. 7." and insert "SEC. 6.", and on page 6, line 5, strike out "SEC. 8." and insert "SEC. 7."

Mr. JOHNSON of Colorado. Mr. President, I move that the Senate concur in the House amendments.

Mr. WATKINS. Mr. President, will the Senator give us a brief explanation of what this is all about? Several conference reports are being laid before the Senate, one after the other, and I do not recall the facts regarding this particular bill.

Mr. JOHNSON of Colorado. The bill was passed by the Senate in 1949. It has been in the House for more than a year. It finally passed the House. It is an act to provide for the dissemination of technological, scientific, and engineering information to American business and industry, and for other purposes. It establishes a clearing house within the Department of Commerce, whereby important discoveries which are made by the Government departments may be passed on to the businesses and industries of the United States. The further purpose is that some of the formulas and chemical processes which we got from enemies after World War II ended may be passed on to business.

Mr. SMITH of New Jersey. Mr. President, has this bill been in conference?

as the law is concerned, the Secretary of Commerce, under whom the CAA operates, feels that he does not have that authority with reference to security. He has it with reference to safety. In other words, he can cause a person to fly in a given area if safety demands it, but not if security demands it.

Mr. STEFAN. Of course I am for the bill. But I would like to know a little something about where the CAA is coming in for appropriations in view of the fact that today almost 50 percent of the CAA operations are for national defense, and they are working in connection with the Department of Defense. Almost 50 percent of their work is what might be called war work, and they are doing most of it with existing funds. If this bill is passed, will some money be transferred to the CAA from the armed services?

Mr. BECKWORTH. I would not think so. The bill does not provide that. It provides for a closer coordination of effort.

Mr. STEFAN. Of course we all want that. I understand they are going ahead very rapidly on this, but as I view the work of the CAA, since the Korean crisis, practically 50 percent of the work done by the CAA is war work, for which they have no special funds. I am very much worried as to where the CAA is going to get the money to bring about this further coordination unless they get a transfer of funds from the defense services.

Mr. HINSHAW. Will the gentleman yield?

Mr. STEFAN. I yield.

Mr. HINSHAW. This work is done by the airway traffic controls. It is a part of their regular work, and I would not anticipate that any additional funds would be required. I have no knowledge that the Department has requested it.

Mr. STEFAN. I placed in the RECORD a few days ago the war work that is being done by the CAA at the present time and it runs into many, many thousands of dollars and it is affecting the regular necessary services of the CAA. I was wondering if they could secure transfer of funds from the military establishments.

Mr. BECKWORTH. Of course this legislation does not provide for any transfer of funds.

The SPEAKER. The time of the gentleman from Nebraska [Mr. STEFAN] has expired.

The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

The title was amended so as to read: "A bill to amend the Civil Aeronautics Act of 1938, as amended, to authorize the Civil Aeronautics Board and the Secretary of Commerce to undertake security measures relative to the regulation and

control of air commerce, and for other purposes."

A motion to reconsider was laid on the table.

Mr. BECKWORTH. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3995) to amend the Civil Aeronautics Act of 1938, as amended, to authorize the Civil Aeronautics Board and the Secretary of Commerce to undertake security measures relative to the regulation and control of air commerce, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Civil Aeronautics Act of 1938, as amended, is amended by the addition of a new title XII, reading as follows:

"TITLE XII—SECURITY PROVISIONS

"SECRETARY OF COMMERCE AND CIVIL AERONAUTICS BOARD

"SEC. 1201. The purpose of this title is to establish security provisions which will encourage and permit the maximum use of civil aircraft consistent with the national security. Whenever the President determines such action to be required in the interest of national security, he may direct the Secretary of Commerce and the Civil Aeronautics Board to exercise the powers, duties, and responsibilities granted in this title to the extent, in the manner, and for such periods of time as the President considers necessary.

"NATIONAL SECURITY REGULATIONS

"SEC. 1202. The Board shall consider requirements of national security as well as safety of flight in air commerce, in exercising its powers and carrying out its responsibilities under title VI of this act.

"SECURITY CONTROL OF AIR TRAFFIC

"SEC. 1203. The Secretary of Commerce is authorized to establish such zones or areas in the airspace above the United States, its Territories, and possessions (including areas of land or water administered by the United States under international agreement) as he may find necessary in the interests of national security; and may, after consultation with the Department of Defense and the Board, by rule, regulation, or order within such zones or areas, prohibit or restrict flights of aircraft which he cannot effectively identify, locate, and control with available facilities: *Provided*, That the Secretary of Commerce shall consult with the Department of State before exercising the authority provided in this section with respect to areas of land or water administered by the United States under international agreement.

"PENALTIES

"SEC. 1204. In addition to the penalties otherwise provided for by this act, any person who knowingly or willfully violates any provision of this title, or any rule, regulation, or order issued thereunder shall be deemed guilty of a misdemeanor, and upon conviction thereof, shall be subject to a fine of not exceeding \$10,000 or to imprisonment not exceeding 1 year, or to both such fine and imprisonment.

"TERMINATION OF TITLE

"SEC. 1205. The provision of this title shall expire on such date as may be specified by concurrent resolution of the two Houses of Congress."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

By unanimous consent the proceedings whereby the bill H. R. 9320 was passed were vacated and that bill was laid on the table.

House Resolution 833 was also laid on the table.

DEPENDENTS ASSISTANCE ACT OF 1950

Mr. BROOKS. Mr. Speaker, I call up the conference report on the bill (S. 4071) to provide allowances for dependents of enlisted members of the uniformed services, to suspend certain provisions of the Career Compensation Act of 1949, and for other purposes, and I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. Brooks]?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House August 30, 1950.)

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to. A motion to reconsider was laid on the table.

NATIONAL DEFENSE FACILITIES ACT OF 1950

Mr. BROOKS. Mr. Speaker, I call up the conference report on the bill (H. R. 8594) to provide for the acquisition, construction, expansion, rehabilitation, conversion, and joint utilization of facilities necessary for the administration and training of units of the Reserve components of the Armed Forces of the United States, and for other purposes, and I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. Brooks]?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House August 30, 1950.)

Mr. BROOKS (interrupting the reading of the statement). Mr. Speaker, this has been printed and is available to the Members, and I ask unanimous consent to dispense with the further reading of the statement.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. MARTIN of Massachusetts. Reserving the right to object, will the gentleman explain what this is briefly?

Mr. BROOKS. This is a measure to take care of the joint use of facilities for the Reserves. In other words, the armories. We went to conference on this bill and we filed a unanimous report.

The substantial difference between the two bills is in the amount. When our bill was reported out of the Armed Services Committee of the House, it contained a provision authorizing \$400,000,000 to be appropriated over a period of 8 years. That provision was stricken out by the House. When the House bill went

to the Senate, there was no provision for an amount at all, and no authorization. The Senate had previously passed a bill authorizing \$137,000,000 to be appropriated for this use over a period of 3 years. In getting together with the Senate, we finally agreed on a provision authorizing \$250,000,000 to be appropriated over a period of 5 years, rather than 8 years, as originally reported out of the House committee, and rather than 3 years which the Senate had agreed upon. It was a compromise. As the bill presently stands, with the authorization of \$250,000,000 to be used for armories over a period of 5 years, an express understanding had been reached that there will be no request for appropriated funds during the present year. The situation is such in Korea that we do not feel justified in asking for funds during the current year. That is the most important difference between the two bills that were compromised.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. BROOKS. I yield.

Mr. STEFAN. Will it also include the National Guard armories?

Mr. BROOKS. That is exactly what it does include; all joint facilities.

Mr. STEFAN. I introduced a bill sometime ago for these National Guard armories. I understand it has been somewhat amended.

Mr. BROOKS. The gentleman's bill was before the Committee on Armed Services. We were happy to have his ideas in writing the House bill and to give them our careful consideration. They were helpful and we think the conference report provides a very good bill.

Mr. STEFAN. I thank the gentleman.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The SPEAKER pro tempore. The question is on the adoption of the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GEORGE WASHINGTON CARVER NATIONAL MONUMENT

Mr. PETERSON. Mr. Speaker, I call up the conference report on the bill (H. R. 7302) to amend the act of July 14, 1943, relating to the establishment of the George Washington Carver National Monument, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. PETERSON. This is the George Washington Carver National Monument, in which a provision was made for the acquisition of land and for the improve-

ments. In the House bill we limited the amount for the land but there was a general authorization for improvements which we thought was clear in the report, but the Senate spelled out the limitation in the report and fixed it at not to exceed a total amount of \$150,000.

Mr. MARTIN of Massachusetts. And the House conferees agreed to it?

Mr. PETERSON. Yes; there is a unanimous agreement on the part of the conferees.

While I am on my feet, if I may, I will refer to the next two conference reports I will call up and possibly save some time.

One is the disposition of the old fort at St. Marks, Fla. The conference put in a limitation not to exceed 5 acres.

The other is the new Teton Park. The Senate receded and the bill is exactly as it passed the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 30, 1950.)

The SPEAKER pro tempore. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

DISPOSITION OF GOVERNMENT LOTS IN THE TOWN OF ST. MARKS, FLA.

Mr. PETERSON. Mr. Speaker, I call up the conference report on the bill (H. R. 8028) to authorize the Secretary of the Interior to dispose of the remaining Government lots in the town site of St. Marks, Fla., and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the statement.

(For conference report and statement see proceedings of the House of August 30, 1950.)

The SPEAKER pro tempore. The question is on the adoption of the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

NEW GRAND TETON NATIONAL PARK

Mr. PETERSON. Mr. Speaker, I ask unanimous consent for the present consideration of the conference report on the bill (S. 3409) to establish a new Grand Teton National Park in the State of Wyoming, and for other purposes, and that the statement of the managers on the part of the House may be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 31, 1950.)

The SPEAKER pro tempore. The question is on the adoption of the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

CARL E. LAWSON AND FIREMAN'S FUND INDEMNITY CO.

Mr. BYRNE of New York. Mr. Speaker, I call up the conference report on the bill (H. R. 1271) for the relief of Carl E. Lawson and Fireman's Fund Indemnity Co., and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

(For conference report and statement see proceedings of the House of August 25, 1950.)

The SPEAKER pro tempore. The question is on the adoption of the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EWA PLANTATION CO.

Mr. BYRNE of New York. Mr. Speaker, I call up the conference report on the bill (H. R. 2233) for the relief of Ewa Plantation Co., a Hawaiian corporation, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 25, 1950.)

The SPEAKER pro tempore. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

BUDGET AND ACCOUNTING PROCEDURES ACT OF 1950

Mr. DAWSON. Mr. Speaker, I call up the conference report on the bill (H. R. 9038) to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. CANFIELD. Mr. Speaker, reserving the right to object, and I shall not object, it is my understanding that the House conferees have induced the Senate conferees to recede from the Senate provision which would have given any Federal agency carte blanche authority to

make a 5-percent transfer of funds voted by the Congress?

Mr. DAWSON. The gentleman is correct.

Mr. CANFIELD. I desire to compliment the gentleman from Illinois and his fellow conferees on upholding, as they did, the prerogatives of congressional appropriating committees and acting definitely in the cause of good government.

Mr. DAWSON. When the Senate read the record of the House as appeared in the CONGRESSIONAL RECORD of that day it came to the conclusion that the best procedure would be to recede from the position it had taken and to adopt the House version of the matter.

Mr. CANFIELD. May I say in all fairness to the gentleman from Illinois and his fellow conferees on the House side, that they were never for this provision.

Mr. DAWSON. I yielded reluctantly at the time, but went back strengthened and fortified after the session over here.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 25, 1950.)

The SPEAKER pro tempore. The question is on the conference report.

The conference report was agreed to. A motion to reconsider was laid on the table.

AMENDMENTS TO FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

Mr. DAWSON. Mr. Speaker, I call up the conference report on the bill (S. 3959) to amend the Federal Property and Administrative Services Act of 1949, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 25, 1950.)

Mr. DAWSON. Mr. Speaker, may I say that this bill came before the House and was passed unanimously, without one dissenting vote. Then we moved to strike the Senate provision from S. 3959 and substitute therefor the House version.

We went to conference and came back with an agreement on some minor changes in the version as passed by the House. This was unanimously agreed to by all conferees.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. BRYSON asked and was given permission to extend his remarks.

Mr. LANE asked and was given permission to extend his remarks and include two letters and a resolution.

Mr. RICH asked and was given permission to extend his remarks and include a speech by former Senator Rush D. Holt.

Mr. HOFFMAN of Michigan (at the request of Mr. POTTER) was given permission to extend his remarks in four instances, in each to include extraneous matter.

Mr. POTTER asked and was given permission to extend his remarks and include two letters.

Mr. CASE of South Dakota asked and was given permission to extend his remarks in three instances; in one, to include certain material on the subject of making rain, and in another to include an address by former President Coolidge.

Mr. MILLER of Maryland asked and was given permission to extend his remarks in two instances and include in each an editorial.

Mr. BYRNES of Wisconsin asked and was given permission to extend his remarks and include therewith a table.

Mr. BOGGS of Delaware asked and was given permission to extend his own remarks and include extraneous material.

Mr. LOVRE asked and was given permission to extend his remarks in two instances.

Mr. WOLVERTON asked and was given permission to extend his remarks and include extraneous matter.

Mr. JENKINS asked and was given permission to extend his remarks in two separate instances and in each to include extraneous matter.

Mr. YOUNG asked and was given permission to extend his remarks and include an article written by a constituent of his, Albert A. Woldman, an authority on Abraham Lincoln, published in the Harper's magazine entitled "Lincoln Never Said That" notwithstanding the fact that it will exceed two pages of the RECORD and is estimated by the Public Printer to cost \$191.

Mr. DAVIES of New York asked and was given permission to extend his remarks in two instances, in one to include a newspaper article.

Mr. PRICE asked and was given permission to extend his remarks and include an article taken from today's Washington Post.

Mr. BARTLETT asked and was given permission to extend his remarks and include a press release.

Mr. HAYS of Ohio asked and was given permission to extend his remarks and include an editorial on statehood for Alaska and Hawaii.

Mr. HUBER asked and was given permission to extend his remarks and include an editorial.

Mr. ABBITT asked and was given permission to extend his remarks and include an editorial taken from the Plain Dealer of April 1, 1950.

Mr. RODINO asked and was given permission to extend his remarks.

Mr. WILSON of Oklahoma asked and was given permission to extend his remarks and include an editorial by a constituent, Casey Cohlma.

Mr. NORBLAD asked and was given permission to extend his remarks.

Mr. MANSFIELD asked and was given permission to extend his remarks and include extraneous material.

Mr. BIEMILLER asked and was given permission to extend his remarks and include an editorial.

Mr. HOEVEN asked and was given permission to extend his remarks.

CALL OF THE HOUSE

Mr. COX. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. BUCHANAN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 264]

| | | |
|------------------|----------------|-----------------|
| Anderson, Calif. | Kearney | Pfeiffer, |
| Angell | Keefe | William L. |
| Bailey | Keogh | Phillips, Tenn. |
| Barden | Klein | Plumley |
| Barrett, Pa. | Larcade | Powell |
| Blackney | Latham | Quinn |
| Buckley, N. Y. | Lind | Regan |
| Bulwinkle | Lyle | Roosevelt |
| Burton | Lynch | Sabath |
| Celler | McCulloch | Sadowski |
| Clemente | McGrath | St. George |
| Coudert | McGregor | Scott, |
| Crook | McKinnon | Hugh D., Jr. |
| DeGraffenried | McMillen, Ill. | Snort |
| Dingell | Macy | Sikes |
| Durham | Martin, Iowa | Smathers |
| Engel, Mich. | Mason | Smith, Kans. |
| Gillette | Miller, Calif. | Smith, Ohio |
| Gore | Morgan | Sutton |
| Grant | Morrison | Taylor |
| Hall, | Moulder | Teague |
| Edwin Arthur | Murphy | Werdel |
| Hare | Murray, Tenn. | Wier |
| Hébert | Norton | Williams |
| Hobbs | O'Konski | Wilson, Ind. |
| Hoffman, Mich. | Pace | Withrow |
| Hollifield | Patman | Woodhouse |
| Jackson, Calif. | Perkins | Yates |
| Johnson | Pfeiffer, | |
| Judd | Joseph L. | |

The SPEAKER pro tempore. On this roll call 335 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CITATION OF JOSEPH P. KAMP

Mr. BUCHANAN. Mr. Speaker, by direction of the Select Committee on Lobbying Activities I submit a privileged report.

The Clerk read as follows:

REPORT CITING JOSEPH P. KAMP

The Select Committee on Lobbying Activities, created by the House of Representatives under House Resolution No. 298 of the Eighty-first Congress, was authorized and directed to conduct a study and investigation of—

"(1) all lobbying activities intended to influence, encourage, promote, or retard legislation; and (2) all activities of the agencies of the Federal Government intended to influence, encourage, promote, or retard legislation."

The Constitutional Educational League, Inc., is a corporation organized in New York

with offices at 342 Madison Avenue, New York City, N. Y. Joseph P. Kamp is the executive vice chairman.

The Select Committee on Lobbying Activities obtained information indicating that this organization was engaged in lobbying activities, including the mass distribution of pamphlets and literature, intended to influence the passage or defeat of Federal legislation directly and indirectly.

The chairman of the Select Committee on Lobbying Activities, on May 25, 1950, issued and caused to be served a subpoena duces tecum on said Joseph P. Kamp directing him to be and appear before the said Select Committee on Lobbying Activities on June 6, 1950, at 10 a. m.

The subpoena duces tecum served upon Joseph P. Kamp is set forth in words and figures below:

"BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES OF THE CONGRESS OF THE UNITED STATES OF AMERICA

"TO BENEDICT F. FITZGERALD:

"You are hereby commanded to summon Joseph P. Kamp, Constitutional Educational League, 342 Madison Avenue, New York, N. Y., to be and appear before the Select Committee on Lobbying Activities of the House of Representatives of the United States, of which the Honorable FRANK BUCHANAN is chairman, and to bring with him such of the records of said League as indicate: (1) the name and address of each person¹ from whom a total of \$1,000 or more has been received by the League during the period, January 1, 1947, to May 1, 1950, for any purpose including, but not limited to: (a) receipts from the sale of books, pamphlets, and other literature, (b) contributions, (c) loans; (2) as to each such person¹ the amount, date, and purpose of each payment which formed a part of the total of \$1,000 or more in their chamber in the city of Washington, on Tuesday, June 6, 1950, Room 362, Old House Office Building, at the hour of 10 a. m., then and there to testify touching matters of inquiry committed, to said committee; and he is not to depart without leave of said committee.

"Herein fail not, and make return of this summons.

"Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 25th day of May 1950.

"FRANK BUCHANAN, *Chairman.*

"Attest:

"[SEAL] "RALPH A. ROBERTS, *Clerk.*"

The said subpoena duces tecum was served on Joseph P. Kamp by Benedict F. FitzGerald, Jr., counsel for the Select Committee on Lobbying Activities. The return of the service of the subpoena, endorsed thereon, is set forth in words and figures as follows:

"SUBPENA FOR JOSEPH P. KAMP

"Served on Joseph P. Kamp at the office of the Constitutional Educational League, 342 Madison Avenue, New York City, on Saturday, May 27, 1950, at about 2:30 p. m., by delivery in hand to the said Joseph P. Kamp, by the undersigned.

"BENEDICT F. FITZGERALD, JR.,

"Counsel, House Select Committee on Lobbying Activities."

Pursuant to said subpoena, Joseph P. Kamp appeared before the Select Committee on Lobbying Activities on June 6, 1950, but failed and refused to produce certain records called for in the subpoena duces tecum, and as a result of such refusal the Select Committee on Lobbying Activities was deprived from receiving information concerning a matter

¹Includes any individual, partnership, corporation, association, or other organization or group.

committed to said committee. The record of the proceedings before the Select Committee on Lobbying Activities held on Tuesday, June 6, 1950, during which the said Joseph P. Kamp refused to furnish certain material pertinent to the subject under inquiry, is set forth in part as follows:

"HOUSE OF REPRESENTATIVES,

"HOUSE SELECT COMMITTEE

ON LOBBYING ACTIVITIES,

"Washington, D. C., Tuesday, June 6, 1950.

"The committee met, pursuant to call, at 10:40 a. m., in the caucus room, Old House Office Building, Hon. FRANK BUCHANAN (chairman) presiding.

"Present: Representatives BUCHANAN (chairman), LANHAM, ALBERT, BROWN, and O'HARA.

"Also present: Benedict F. FitzGerald, Jr., committee counsel.

"The CHAIRMAN. The next witness, Mr. Joseph P. Kamp.

"Will the witness be sworn?

"Raise your right hand. Do you solemnly swear that the statements you make before this committee will be the truth, the whole truth, and nothing but the truth, so help you God, to the last great day?

"Mr. KAMP. I do.

"TESTIMONY OF JOSEPH P. KAMP

"The CHAIRMAN. Give your name and address, please.

"Mr. KAMP. My name is Joseph P. Kamp; my office address is 342 Madison Avenue, New York City; and my home is at 3 East Fifty-fourth Street, New York City.

"The CHAIRMAN. What is your official connection with the Constitutional Educational League?

"Mr. KAMP. I am executive vice chairman of the Constitutional Educational League.

"The CHAIRMAN. And their offices are located where?

"Mr. KAMP. 342 Madison Avenue, New York City.

The CHAIRMAN. Are you or your organization registered under the Lobbying Act?

"Mr. KAMP. We are not.

"The CHAIRMAN. A subpoena was issued on the 25th day of May 1950, by authority of the House of Representatives of America commanding Benedict F. FitzGerald to summon you to be and appear before the Select Committee on Lobbying Activities of the House of Representatives of which I, Representative FRANK BUCHANAN, am chairman, and to bring with you such of the records of the Constitutional Educational League as indicated: (a) The name and address of each person from whom a total of \$1,000 or more has been received by the league during the period, January 1, 1947, to May 1, 1950, for any purpose, including, but not limited to (A) receipts from the sale of books, pamphlets and other literature, (B) contributions, (C) loans; (b) as to each such person the amount, date, and purpose of each payment which formed a part of the total of \$1,000 or more.

"You were to produce these records before this committee in the city of Washington on Tuesday, June 6, 1950, at room 362, Old House Office Building at 10 a. m., where and when you were to testify touching matters of inquiry committed to this committee. Is that not a fact as stated in the subpoena?

"Mr. KAMP. Yes, sir.

"The CHAIRMAN. Do you care to examine a copy of the subpoena to see if it is the same subpoena which has been served upon you?

"(A copy of the document was handed to the witness.)

"The CHAIRMAN. You were given this subpoena by Benedict F. FitzGerald on the 26th of May 1950, at 11:30 a. m.; that is so, is it not—and is that a correct copy?

"Mr. KAMP. It appears to me to be a correct copy; a carbon copy, probably.

"The CHAIRMAN. Do you have your subpoena with you?

"Mr. KAMP. I do.

"The CHAIRMAN. You are now before the Select Committee on Lobbying Activities at the time and place stated in the subpoena; that is so, is it not?

"Mr. KAMP. I am.

"The CHAIRMAN. Did you bring with you the records of the Constitutional Educational League?

"Mr. KAMP. No, sir; I did not. I haven't had time to do the job that the subpoena asked me to do; and, besides, I wanted the opportunity of presenting our position to this committee, our legal position.

"The CHAIRMAN. You are here in response to the subpoena?

"Mr. KAMP. That is right, sir.

"The CHAIRMAN. But you do not have your records with you?

"Mr. KAMP. That is right. I haven't had time to do anything like that. That is a job, that this calls for. Since I am not sure that the Constitutional Educational League comes under the authority of your committee, as set forth in your subpoena, I wanted to have an opportunity of presenting my position to you, so that I might be informed by this committee whether or not, in his judgment, we do come within your jurisdiction.

"The CHAIRMAN. * * *

"Just a moment. If you were to be given time, how much time would you think necessary to furnish the material?

"Mr. KAMP. Well, before I could begin to do the job, I would like to have the committee's statement as to how and why we come under the committee's authority. That was my purpose in coming here today. I read in the newspapers the statement of the chairman of this committee that the purpose of this hearing was to give the people who had been subpoenaed an opportunity to tell this committee why we refuse to cooperate with the representatives of the committee who called at our offices. That was my purpose.

"The CHAIRMAN. That is all.

"Mr. LANHAM. You say you are here in response to the subpoena. Do you refuse to give to the committee now the information asked for by the committee?

"Mr. KAMP. No; I don't refuse.

"Mr. LANHAM. Do you have it with you?

"Mr. KAMP. No.

"Mr. LANHAM. Do you propose to give it to us at any time?

"Mr. KAMP. I do propose to give it to you when and if this committee can establish its right.

"Mr. LANHAM. The obligation isn't on this committee to establish any right. We are a part of the Government and given the right to investigate lobbying. We have a right to this information. You are here this morning, but refuse to give it to us.

"Mr. KAMP. I say to you that we are not engaged in lobbying; therefore, do not come under your committee's authority; and that we respect the Constitution of the United States, first.

"Mr. LANHAM. Do you respect the subpoena that has been served upon you?

"Mr. KAMP. Yes.

"Mr. LANHAM. You mean to comply with it?

"Mr. KAMP. First, I respect the subpoena. That is why I am here.

"Mr. LANHAM. Do you intend to comply with the subpoena duces tecum to bring these records with you?

"Mr. KAMP. When and if it is established by this committee that it has a legal right to the papers and the records which it requests."

Because of the foregoing the said Select Committee on Lobbying Activities was deprived of answers to pertinent questions to be propounded to the said Joseph P. Kamp relative to the subject matter which under House Resolution 298 of the Eighty-first Congress the said Select Committee on Lobbying Activities was directed to investigate, and



[PUBLIC LAW 784—81ST CONGRESS]

[CHAPTER 946—2D SESSION]

[H. R. 9038]

AN ACT

To authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify governmental accounting and auditing methods and procedures, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Budget and Accounting Procedures Act of 1950".

TITLE I—BUDGETING AND ACCOUNTING

PART I—BUDGETING

SEC. 101. Section 2 of the Budget and Accounting Act, 1921 (42 Stat. 20), is amended by adding at the end thereof the following:

"The term 'appropriations' includes, in appropriate context, funds and authorizations to create obligations by contract in advance of appropriations, or any other authority making funds available for obligation or expenditure."

SEC. 102. (a) Section 201 of such Act is amended to read as follows:

"SEC. 201. The President shall transmit to Congress during the first fifteen days of each regular session, the Budget, which shall set forth his Budget message, summary data and text, and supporting detail. The Budget shall set forth in such form and detail as the President may determine—

"(a) functions and activities of the Government;

"(b) any other desirable classifications of data;

"(c) a reconciliation of the summary data on expenditures with proposed appropriations;

"(d) estimated expenditures and proposed appropriations necessary in his judgment for the support of the Government for the ensuing fiscal year, except that estimated expenditures and proposed appropriations for such year for the legislative branch of the Government and the Supreme Court of the United States shall be transmitted to the President on or before October 15 of each year, and shall be included by him in the Budget without revision;

"(e) estimated receipts of the Government during the ensuing fiscal year, under (1) laws existing at the time the Budget is transmitted and also (2) under the revenue proposals, if any, contained in the Budget;

"(f) actual appropriations, expenditures, and receipts of the Government during the last completed fiscal year;

"(g) estimated expenditures and receipts, and actual or proposed appropriations of the Government during the fiscal year in progress;

"(h) balanced statements of (1) the condition of the Treasury at the end of the last completed fiscal year, (2) the estimated con-

dition of the Treasury at the end of the fiscal year in progress, and (3) the estimated condition of the Treasury at the end of the ensuing fiscal year if the financial proposals contained in the Budget are adopted;

"(i) all essential facts regarding the bonded and other indebtedness of the Government; and

"(j) such other financial statements and data as in his opinion are necessary or desirable in order to make known in all practicable detail the financial condition of the Government."

(b) Section 203 of such Act is amended to read as follows:

"SEC. 203. (a) The President from time to time may transmit to Congress such proposed supplemental or deficiency appropriations as in his judgment (1) are necessary on account of laws enacted after the transmission of the Budget, or (2) are otherwise in the public interest. He shall accompany such proposals with a statement of the reasons therefor, including the reasons for their omission from the Budget.

"(b) Whenever such proposed supplemental or deficiency appropriations reach an aggregate which, if they had been contained in the Budget, would have required the President to make a recommendation under subsection (a) of section 202, he shall thereupon make such recommendation."

(c) Section 204 of such Act is amended to read as follows:

"SEC. 204. (a) Except as otherwise provided in this Act, the contents, order, and arrangement of the proposed appropriations and the statements of expenditures and estimated expenditures contained in the Budget or transmitted under section 203, and the notes and other data submitted therewith, shall conform to requirements prescribed by the President.

"(b) The Budget, and statements furnished with any proposed supplemental or deficiency appropriations, shall be accompanied by information as to personal services and other objects of expenditure in the same manner and form as in the Budget for the fiscal year 1950: *Provided*, That this requirement may be waived or modified, either generally or in specific cases, by joint action of the committees of Congress having jurisdiction over appropriation: *And provided further*, That nothing in this Act shall be construed to limit the authority of committees of Congress to request and receive such information in such form as they may desire in consideration of and action upon budget estimates."

(d) Section 205 of such Act is amended to read as follows:

"SEC. 205. Whenever any basic change is made in the form of the Budget, the President, in addition to the Budget, shall transmit to Congress such explanatory notes and tables as may be necessary to show where the various items embraced in the Budget of the prior year are contained in the new Budget."

(e) The last sentence of section 207 of such Act is amended to read as follows: "The Bureau, under such rules and regulations as the President may prescribe, shall prepare the Budget, and any proposed supplemental or deficiency appropriations, and to this end shall have authority to assemble, correlate, revise, reduce, or increase the requests for appropriations of the several departments or establishments."

(f) Section 214 of such Act is amended to read as follows:

"SEC. 214. The head of each department and establishment shall

prepare or cause to be prepared in each year his requests for regular, supplemental, or deficiency appropriations."

(g) Section 215 of such Act is amended to read as follows:

"SEC. 215. The head of each department and establishment shall submit his requests for appropriations to the Bureau on or before a date which the President shall determine. In case of his failure to do so, the President shall cause such requests to be prepared as are necessary to enable him to include such requests with the Budget in respect to the work of such department or establishment."

(h) Section 216 of such Act is amended to read as follows:

"SEC. 216. Requests for regular, supplemental, or deficiency appropriations which are submitted to the Bureau by the head of any department or establishment shall be prepared and submitted as the President may determine in accordance with the provisions of section 201."

GOVERNMENT STATISTICAL ACTIVITIES

SEC. 103. The President, through the Director of the Bureau of the Budget, is authorized and directed to develop programs and to issue regulations and orders for the improved gathering, compiling, analyzing, publishing, and disseminating of statistical information for any purpose by the various agencies in the executive branch of the Government. Such regulations and orders shall be adhered to by such agencies.

IMPROVED ADMINISTRATION OF EXECUTIVE AGENCIES

SEC. 104. The President, through the Director of the Bureau of the Budget, is authorized and directed to evaluate and develop improved plans for the organization, coordination, and management of the executive branch of the Government with a view to efficient and economical service.

BUSINESS-TYPE BUDGETS

SEC. 105. The first two sentences of section 102 of the Government Corporation Control Act of 1945 (59 Stat. 597), are amended to read as follows: "Each wholly owned Government corporation shall cause to be prepared annually a business-type budget which shall be submitted to the Bureau of the Budget, under such rules and regulations as the President may establish as to the date of submission, the form and content, the classifications of data, and the manner in which such budget program shall be prepared and presented."

PART II—ACCOUNTING AND AUDITING

SHORT TITLE

SEC. 110. This part may be cited as the "Accounting and Auditing Act of 1950".

DECLARATION OF POLICY

SEC. 111. It is the policy of the Congress in enacting this part that—

(a) The accounting of the Government provide full disclosure of the results of financial operations, adequate financial information needed in the management of operations and the formulation and execution of the Budget, and effective control over income, expenditures, funds, property, and other assets.

(b) Full consideration be given to the needs and responsibilities of both the legislative and executive branches in the establishment of accounting and reporting systems and requirements.

(c) The maintenance of accounting systems and the producing of financial reports with respect to the operations of executive agencies, including central facilities for bringing together and disclosing information on the results of the financial operations of the Government as a whole, be the responsibility of the executive branch.

(d) The auditing for the Government, conducted by the Comptroller General of the United States as an agent of the Congress be directed at determining the extent to which accounting and related financial reporting fulfill the purposes specified, financial transactions have been consummated in accordance with laws, regulations or other legal requirements, and adequate internal financial control over operations is exercised, and afford an effective basis for the settlement of accounts of accountable officers.

(e) Emphasis be placed on effecting orderly improvements resulting in simplified and more effective accounting, financial reporting, budgeting, and auditing requirements and procedures and on the elimination of those which involve duplication or which do not serve a purpose commensurate with the costs involved.

(f) The Comptroller General of the United States, the Secretary of the Treasury, and the Director of the Bureau of the Budget conduct a continuous program for the improvement of accounting and financial reporting in the Government.

ACCOUNTING AND REPORTING PROVISIONS

SEC. 112. (a) The Comptroller General of the United States, after consulting the Secretary of the Treasury and the Director of the Bureau of the Budget concerning their accounting, financial reporting, and budgetary needs, and considering the needs of the other executive agencies, shall prescribe the principles, standards, and related requirements for accounting to be observed by each executive agency, including requirements for suitable integration between the accounting processes of each executive agency and the accounting of the Treasury Department. Requirements prescribed by the Comptroller General shall be designed to permit the executive agencies to carry out their responsibilities under section 113 of this part, while providing a basis for integrated accounting for the Government, full disclosure of the results of the financial operations of each executive agency and the Government as a whole, and financial information and control necessary to enable the Congress and the President to discharge their respective responsibilities. The Comptroller General shall continue to exercise the authority vested in him by section 205 (b) of the Federal Property and Administrative Services Act of 1949 (63 Stat. 389) and, to the extent he deems necessary, the authority vested in him by section 309 of the Budget and Accounting Act, 1921 (42 Stat. 25). Any such exercise of authority shall be consistent with the provisions of this section.

(b) The General Accounting Office shall cooperate with the executive agencies in the development of their accounting systems, including the Treasury Department, in the development and establishment

of the system of central accounting and reporting required by section 114 of this part. Such accounting systems shall be approved by the Comptroller General when deemed by him to be adequate and in conformity with the principles, standards, and related requirements prescribed by him.

(c) The General Accounting Office shall from time to time review the accounting systems of the executive agencies. The results of such reviews shall be available to the heads of the executive agencies concerned, to the Secretary of the Treasury, and to the Director of the Bureau of the Budget, and the Comptroller General shall make such reports thereon to the Congress as he deems proper.

SEC. 113. (a) The head of each executive agency shall establish and maintain systems of accounting and internal control designed to provide—

(1) full disclosure of the financial results of the agency's activities;

(2) adequate financial information needed for the agency's management purposes;

(3) effective control over and accountability for all funds, property, and other assets for which the agency is responsible, including appropriate internal audit;

(4) reliable accounting results to serve as the basis for preparation and support of the agency's budget requests, for controlling the execution of its budget, and for providing financial information required by the Bureau of the Budget under section 213 of the Budget and Accounting Act, 1921 (42 Stat. 23);

(5) suitable integration of the accounting of the agency with the accounting of the Treasury Department in connection with the central accounting and reporting responsibilities imposed on the Secretary of the Treasury by section 114 of this part.

(b) The accounting systems of executive agencies shall conform to the principles, standards, and related requirements prescribed by the Comptroller General pursuant to section 112 (a) of this part.

SEC. 114. (a) The Secretary of the Treasury shall prepare such reports for the information of the President, the Congress, and the public as will present the results of the financial operations of the Government: *Provided*, That there shall be included such financial data as the Director of the Bureau of the Budget may require in connection with the preparation of the Budget or for other purposes of the Bureau. Each executive agency shall furnish the Secretary of the Treasury such reports and information relating to its financial condition and operations as the Secretary, by rules and regulations, may require for the effective performance of his responsibilities under this section.

(b) The Secretary of the Treasury is authorized to establish the facilities necessary to produce the financial reports required by subsection (a) of this section. The Secretary is further authorized to reorganize the accounting functions and install, revise, or eliminate accounting procedures and financial reports of the Treasury Department in order to develop effective and coordinated systems of accounting and financial reporting in the several bureaus and offices of the Department with such concentration of accounting and reporting as is necessary to accomplish integration of accounting results for the activities of the Department and provide the operating center for the

consolidation of accounting results of other executive agencies with those of the Department. The authority vested in and the duties imposed upon the Department by sections 10, 15, and 22 of the Act entitled "An Act making appropriations for the legislative, executive, and judicial branches of the Government for the fiscal year ending June thirtieth, eighteen hundred ninety-five, and for other purposes", approved July 31, 1894 (28 Stat. 162, 208-210), may be exercised and performed by the Secretary of the Treasury as a part of his broader authority and duties under this section and in such a manner as to provide a unified system of central accounting and reporting on the most efficient and useful basis.

(c) The system of central accounting and reporting provided for herein shall be consistent with the principles, standards, and related requirements prescribed by the Comptroller General pursuant to section 112 of this part.

SEC. 115. (a) When the Secretary of the Treasury and the Comptroller General determine that existing procedures can be modified in the interest of simplification, improvement, or economy, with sufficient safeguards over the control and accounting for the public funds, they may issue joint regulations providing for the waiving, in whole or in part, of the requirements of existing law that—

(1) warrants be issued and countersigned in connection with the receipt, retention, and disbursement of public moneys and trust funds; and

(2) funds be requisitioned, and advanced to accountable officers under each separate appropriation head or otherwise.

(b) Such regulations may further provide for the payment of vouchers by authorized disbursing officers by means of checks issued against the general account of the Treasurer of the United States: *Provided*, That in such case the regulations shall provide for appropriate action in the event of delinquency by disbursing officers in the rendition of their accounts or for other reasons arising out of the condition of the officers' accounts, including under necessary circumstances, the suspension or withdrawal of authority to disburse.

SEC. 116. The Comptroller General is authorized to discontinue the maintenance in the General Accounting Office of appropriation, expenditure, limitation, receipt, and personal ledger accounts when in his opinion the accounting systems and internal control of the executive, legislative, and judicial agencies are sufficient to enable him to perform properly the functions to which such accounts relate.

AUDITING PROVISIONS

SEC. 117. (a) Except as otherwise specifically provided by law, the financial transactions of each executive, legislative, and judicial agency, including but not limited to the accounts of accountable officers, shall be audited by the General Accounting Office in accordance with such principles and procedures and under such rules and regulations as may be prescribed by the Comptroller General of the United States. In the determination of auditing procedures to be followed and the extent of examination of vouchers and other documents, the Comptroller General shall give due regard to generally accepted principles of auditing, including consideration of the effectiveness of accounting

organizations and systems, internal audit and control, and related administrative practices of the respective agencies.

(b) Whenever the Comptroller General determines that the audit shall be conducted at the place or places where the accounts and other records of an executive agency are normally kept, he may require any executive agency to retain in whole or in part accounts of accountable officers, contracts, vouchers, and other documents, which are required under existing law to be submitted to the General Accounting Office, under such conditions and for such period not exceeding ten years as he may specify, unless a longer period is agreed upon with the executive agency: *Provided*, That under agreements between the Comptroller General and legislative and judicial agencies the provisions of this sentence may be extended to the accounts and records of such agencies.

GENERAL PROVISIONS

SEC. 118. As used in this part, the term "executive agency" means any executive department or independent establishment in the executive branch of the Government but (a) except for the purposes of sections 114, 116, and 119 shall not include any Government corporation or agency subject to the Government Corporation Control Act (59 Stat. 597), and (b) except for the purposes of sections 111, 114, and 116 shall not include the Post Office Department.

SEC. 119. The head of each executive agency is authorized to designate the place or places, at the seat of government or elsewhere, at which the administrative examination of fiscal officers' accounts will be performed, and with the concurrence of the Comptroller General to waive the administrative examination in whole or in part: *Provided*, That the same authority is hereby conferred upon the officers responsible for the administrative examination of accounts for legislative and judicial agencies.

TITLE II—APPROPRIATIONS

AUTHORIZATIONS FOR APPROPRIATIONS

SEC. 201. No requests for legislation, which, if enacted, would authorize subsequent appropriations for a department or establishment in the executive branch of the Government, shall be transmitted to the Bureau of the Budget, to the President, or to the Congress by such department or establishment, or by any organization unit thereof, without the prior approval of the head of such department or establishment.

ADJUSTMENT OF APPROPRIATIONS FOR REORGANIZATION

SEC. 202. (a) When under authority of law a function or an activity is transferred or assigned from one agency within any department or establishment to another agency in the same department or establishment, the balance of appropriations which are determined by the head of such department or establishment to be available and necessary to finance or discharge the function or activity so transferred or assigned may, with the approval of the President, be transferred to, and be available for use by, the agency to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable

existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby authorized to be established, and shall be merged with funds in the applicable existing or newly established appropriation account or accounts and thereafter accounted for as one fund.

(b) When under authority of law a function or activity is transferred or assigned from one department or establishment to another department or establishment, the balance of appropriations which are determined by the President to be available and necessary to finance or discharge the function or activity so transferred or assigned, shall be transferred to and be available for use by the department or establishment to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby authorized to be established, and shall be merged with funds in the applicable existing or newly established appropriation account or accounts and thereafter accounted for as one fund.

TITLE III—REPEALS AND SAVING PROVISIONS

REPEALS

SEC. 301. The following Acts and parts of Acts are hereby repealed:

(1) Section 10 of the Act of August 1, 1914 (38 Stat. 680; U. S. C., title 31, sec. 582).

(2) So much of section 4 of the Act of June 20, 1874 (18 Stat. 109; U. S. C., title 31, sec. 583 (1)), as reads: “; and hereafter the Secretary of the Treasury shall annually submit to Congress detailed estimates of appropriations required for said expenses;”.

(3) The last proviso in the first paragraph under the heading “Judgments; United States Courts” of the Act of April 27, 1904 (33 Stat. 422; U. S. C., title 31, sec. 583 (2)).

(4) The last sentence of section 5 of the Act of August 5, 1882 (22 Stat. 256; U. S. C., title 31, sec. 583 (3)).

(5) So much of the matter appearing under the heading “Mints and Assay Offices” of the Act of March 4, 1911 (36 Stat. 1292; U. S. C., title 31, sec. 583 (4)), as reads: “, and the Secretary of the Treasury shall, for the fiscal year nineteen hundred and thirteen, and annually thereafter, submit to Congress in the regular book of estimates, detailed estimates for the expenses of this Service”.

(6) So much of the matter appearing under the heading “Treasury Department” in the Act of August 26, 1912 (37 Stat. 596; U. S. C., title 31, sec. 583 (5)), as reads: “*Provided further*, That estimates hereunder shall be submitted in detail for the fiscal year 1914, and annually thereafter”.

(7) The last sentence of the paragraph under the heading “Federal Farm Loan Board” of the Act of September 8, 1916 (U. S. C., title 31, sec. 583 (7)), appearing on page 803 of volume 39 of the Statutes at Large; and the third and last paragraph under the heading “Federal Farm Loan Bureau” of the Act of March 3, 1917 (U. S. C., title 31, sec. 583 (7)), appearing on page 1084 of volume 39 of the Statutes at Large.

(8) The last sentence on page 48 of volume 30 of the Statutes at Large, in the Act of June 4, 1897 (U. S. C., title 31, sec. 583 (8)).

(9) The first sentence of section 6 of the Act of March 3, 1919 (40 Stat. 1309; U. S. C., title 31, sec. 583 (10)).

(10) The last proviso under the heading "Office of the Chief Signal Officer" of the Act of March 2, 1907 (34 Stat. 1159; U. S. C., title 31, sec. 583 (11)).

(11) The sixth full paragraph appearing on page 648 of volume 29 of the Statutes at Large in the Act of March 3, 1897 (U. S. C., title 31, sec. 583 (13)).

(12) So much of the matter following the heading "Bureau of Mines" in the Act of March 3, 1915 (38 Stat. 858; U. S. C., title 31, sec. 583 (14)) as reads: "estimates shall be submitted specifically for all personal services required permanently and entirely in the Bureau of Mines at Washington, District of Columbia, and previously paid from lump-sum or general appropriations;"

(13) The proviso at the end of the fourth paragraph on page 312 of volume 37 of the Statutes at Large, in the Act of August 17, 1912 (U. S. C., title 31, sec. 583 (15)).

(14) The third paragraph appearing on page 1082 of volume 32 of the Statutes at Large, in the Act of March 3, 1903 (U. S. C., title 31, sec. 583 (16)).

(15) So much of section 12 of the Act of June 26, 1906 (34 Stat. 480; U. S. C., title 31, sec. 583 (18)), as reads: "and he shall annually submit to Congress estimates to cover the cost of the establishment and maintenance of fish hatcheries in Alaska, the salaries and actual traveling expenses of such officials, and for such other expenditures as may be necessary to carry out the provisions of this Act".

(16) The proviso at the end of the first full paragraph on page 456 of volume 32 of the Statutes at Large, in the Act of June 28, 1902 (U. S. C., title 31, sec. 583 (20)).

(17) The second full paragraph on page 841 of volume 38 of the Statutes at Large, in the Act of March 3, 1915 (U. S. C., title 31, sec. 583 (21)).

(18) The fourth full paragraph on page 2 of volume 38 of the Statutes at Large, in the Act of May 1, 1913 (U. S. C., title 31, sec. 583 (22)).

(19) The proviso at the end of the second paragraph under the heading "Bureau of Immigration and Naturalization" of the Act of March 4, 1907 (34 Stat. 1329, 1330; U. S. C., title 31, sec. 583 (23)).

(20) The second full paragraph on page 374 of volume 35 of the Statutes at Large, in the Act of May 27, 1908 (U. S. C., title 31, sec. 583 (25)).

(21) So much of the last paragraph on page 396 of volume 37 of the Statutes at Large, in the Act of August 23, 1912 (U. S. C., title 31, sec. 583 (26)), as reads: "For the fiscal year nineteen hundred and fourteen and annually thereafter estimates in detail shall be submitted for all personal services required in the Indian Office,"

(22) The proviso at the end of the first full paragraph on page 646 of volume 41 of the Statutes at Large, in the Act of May 29, 1920 (U. S. C., title 31, sec. 584).

(23) Section 3660 of the Revised Statutes (U. S. C., title 31, sec. 585).

(24) Section 4 of the Act of June 22, 1906 (34 Stat. 448; U. S. C., title 31, sec. 586).

(25) Section 4 of the Act of March 4, 1909 (35 Stat. 907; U. S. C., title 31, sec. 587).

(26) Section 2 of the Act of June 30, 1906 (34 Stat. 762; U. S. C., title 31, sec. 588); and the proviso in the first paragraph on page 1367 of volume 34 of the Statutes at Large, in the Act of March 4, 1907 (U. S. C., title 31, sec. 588).

(27) Section 3661, as amended, of the Revised Statutes (U. S. C., title 31, sec. 589).

(28) So much of the first paragraph on page 255 of volume 24 of the Statutes at Large, in the Act of August 4, 1886 (U. S. C., title 31, sec. 590), as reads: "*Provided further*, That all printing and engraving for the Geological Survey, the Coast and Geodetic Survey, the Hydrographic Office of the Navy Department, and the Signal Service shall hereafter be estimated for separately and in detail, and appropriated for separately for each of said bureaus".

(29) Section 3662 of the Revised Statutes (U. S. C., title 31, sec. 591).

(30) Section 3663 of the Revised Statutes, as amended (U. S. C., title 31, sec. 594).

(31) Section 3664 of the Revised Statutes (U. S. C., title 31, sec. 597).

(32) Section 3665 of the Revised Statutes (U. S. C., title 31, sec. 598).

(33) The second paragraph under the heading "Revenue-Cutter Service" in the Act of March 2, 1889 (25 Stat. 907; U. S. C., title 31, sec. 600).

(34) So much of the second full paragraph on page 512 of volume 24 of the Statutes at Large, in the Act of March 3, 1887 (U. S. C., title 31, sec. 601), as reads: "That the Secretary of the Treasury shall for the fiscal year eighteen hundred and eighty-seven, and for each fiscal year thereafter in the annual estimates, report to Congress the number of persons employed outside of the District of Columbia, as superintendents, clerks, watchmen and otherwise, and paid from appropriations for the construction of public buildings showing where said persons are employed, in what capacity, the length of time and at what rate of compensation."

(35) So much of the sixth full paragraph on page 374 of volume 26 of the Statutes at Large, in the Act of August 30, 1890 (U. S. C., title 31, sec. 601) as reads: "; and hereafter the Secretary of the Treasury shall annually report to Congress in the book of estimates a statement of the expenditure of the appropriation for 'repairs and preservation of public buildings' which shall show the amount expended on each public building and the number of persons employed and paid salaries from such appropriation".

(36) So much of section 1317 of the Revenue Act of 1921 (42 Stat. 314; U. S. C., title 31, sec. 602) as reads: "; and the Secretary of the Treasury shall submit for the fiscal year 1921, and annually thereafter, an estimate of appropriations to refund and pay back duties or taxes erroneously or illegally assessed or collected under the internal-revenue laws, and to pay judgments, including interests and costs, rendered for taxes or penalties erroneously or illegally assessed or collected under the internal-revenue laws".

(37) The first paragraph on page 133 of volume 22 of the Statutes at Large, in the Act of July 1, 1882 (U. S. C., title 31, sec. 603).

(38) The eighth paragraph under the heading "Foreign Inter-course" of the Act of May 3, 1905 (33 Stat. 1214; U. S. C., title 31, sec. 603).

(39) The last paragraph on page 48 of volume 30 of the Statutes at Large, in the Act of June 4, 1897 (U. S. C., title 31, sec. 604).

(40) The eighth paragraph under the heading "Under the Engineer Department" of the Act of February 13, 1913 (37 Stat. 671; U. S. C., title 31, sec. 605).

(41) The sixth paragraph under the heading "Fortifications in Insular Possessions" of the Act of March 3, 1905 (33 Stat. 847; U. S. C., title 31, sec. 606).

(42) So much of the first section of the Act of August 4, 1886 (24 Stat. 246; U. S. C., title 31, sec. 607), as reads: "the estimates for the Army and Navy hospital service shall be submitted as a part of the military establishment".

(43) The first full paragraph on page 117 of volume 31 of the Statutes at Large, in the Act of April 17, 1900 (U. S. C., title 31, sec. 609).

(44) Section 3668 of the Revised Statutes (U. S. C., title 31, sec. 610).

(45) So much of the first paragraph on page 357 of volume 20 of the Statutes at Large, in the Act of March 3, 1879 (U. S. C., title 31, sec. 611), as reads: "*Provided*, That hereafter, in making his estimates for railway mail service the Postmaster General shall separate the estimate for postal-car service from the general estimates; and in case any increase or diminution of service by postal cars shall be made by him, the reasons therefor shall be given in his annual report next succeeding such increase or diminution".

(46) So much of the first paragraph under the heading "United States Geological Survey" in the Act of March 3, 1887 (24 Stat. 527; U. S. C., title 31, sec. 612), as reads: "; and hereafter the estimates for the Geological Survey shall be itemized".

(47) The first paragraph on page 455 of volume 32 of the Statutes at Large, in the Act of June 28, 1902 (U. S. C., title 31, sec. 612).

(48) Section 4 of the Act of August 15, 1876 (19 Stat. 200; U. S. C., title 31, sec. 613).

(49) The fourth paragraph of section 26 of the Act of June 30, 1913 (38 Stat. 103; U. S. C., title 31, sec. 613).

(50) The eighth full paragraph on page 1421 of volume 33 of the Statutes at Large, in the Act of March 4, 1911 (U. S. C., title 31, sec. 614).

(51) The eighth full paragraph on page 1206 of volume 33 of the Statutes at Large, in the Act of March 3, 1905 (U. S. C., title 31, sec. 615).

(52) The fourth full paragraph under the heading "Government in the Territories" of the Act of July 16, 1914 (38 Stat. 479; U. S. C., title 31, sec. 616).

(53) The first full paragraph on page 492 of volume 39 of the Statutes at Large, in the Act of August 11, 1916 (U. S. C., title 31, sec. 617).

(54) The proviso in the first paragraph under the heading "Rent

in the District of Columbia" of the Act of March 4, 1915 (38 Stat. 1108; U. S. C., title 31, sec. 617).

(55) The seventh paragraph on page 433 of volume 32 of the Statutes at Large, in the Act of June 28, 1902 (U. S. C., title 31, sec. 618).

(56) The ninth full paragraph on page 755 of volume 36 of the Statutes at Large, in the Act of June 25, 1910 (U. S. C., title 31, sec. 618).

(57) The fourth full paragraph on page 362 of volume 27 of the Statutes at Large, in the Act of August 5, 1892 (U. S. C., title 31, sec. 619).

(58) The first full paragraph on page 764 of volume 36 of the Statutes at Large, in the Act of June 25, 1910 (U. S. C., title 31, sec. 620).

(59) Section 6 of the Act of August 1, 1914 (38 Stat. 679; U. S. C., title 31, sec. 621).

(60) The last full sentence in the first paragraph on page 254 of volume 23 of the Statutes at Large, in the Act of July 7, 1884 (U. S. C., title 31, sec. 622).

(61) Section 5 of the Act of June 30, 1906 (34 Stat. 763; U. S. C., title 31, sec. 626).

(62) The proviso at the end of the first paragraph on page 579 of volume 37 of the Statutes at Large, in the Act of August 24, 1912 (U. S. C., title 31, sec. 626).

(63) Section 7, as amended, of the Act of August 26, 1912 (37 Stat. 626; 37 Stat. 790; U. S. C., title 31, sec. 629).

(64) The fourth full paragraph on page 854 of volume 37 of the Statutes at Large, in the Act of March 4, 1913 (U. S. C., title 31, sec. 630).

(65) The proviso at the end of the seventh paragraph on page 1030 of volume 31 of the Statutes at Large, in the Act of March 3, 1901 (U. S. C., title 31, sec. 633).

(66) The second paragraph under the heading "Contingent, Bureau of Ordnance" of the Act of July 12, 1921 (42 Stat. 128; U. S. C., title 31, sec. 636), down through the first proviso therein.

(67) So much of the third paragraph under the heading "Contingent Expenses, Navy Department" of the Act of June 22, 1906 (34 Stat. 427; U. S. C., title 31, sec. 637), as reads: "and hereafter it shall not be lawful to expend, for any of the offices or bureaus of the Navy Department at Washington, any sum out of appropriations made for the naval establishment for any of the purposes mentioned or authorized in the said foregoing paragraph".

(68) So much of the paragraph under the heading "Increase of the Navy, Equipment" of the Act of March 3, 1915 (38 Stat. 952; U. S. C., title 31, sec. 648), as reads: "and beginning with July first, nineteen hundred and fifteen, equipment outfits shall be charged to appropriation 'Increase of the Navy, Construction and Machinery'".

(69) The two provisos in the paragraph under the heading "Fuel and Transportation" of the Act of March 3, 1915 (38 Stat. 944; U. S. C., title 31, sec. 649).

(70) The proviso in the tenth paragraph on page 236 of volume 28 of the Statutes at Large, in the Act of August 6, 1894 (U. S. C., title 31, sec. 650).

(71) The fourth full paragraph on page 1175 of volume 34 of the Statutes at Large, in the Act of March 2, 1907 (U. S. C., title 31, sec. 655).

(72) So much of the first full paragraph on page 1391 of volume 42 of the Statutes at Large, in the Act of March 2, 1923 (U. S. C., title 31, sec. 656), as reads: "and the Budget estimates for each of such appropriations shall hereafter carry separately the amounts required for such transportation costs".

(73) The proviso in the seventh full paragraph on page 520 of volume 32 of the Statutes at Large, in the Act of June 30, 1902 (U. S. C., title 31, sec. 657).

(74) The proviso in lines 2 through 8 on page 710 of volume 36 of the Statutes at Large, in the Act of June 25, 1910 (U. S. C., title 31, sec. 664).

(75) Section 3682 of the Revised Statutes (U. S. C., title 31, sec. 674).

(76) Section 3683 of the Revised Statutes (U. S. C., title 31, sec. 675).

(77) The second full paragraph on page 1303 of volume 41 of the Statutes at Large, in the Act of March 3, 1921 (U. S. C., title 31, sec. 676).

(78) The proviso in lines 7 through 17 on page 203 of volume 20 of the Statutes at Large, in the Act of June 19, 1878 (U. S. C., title 31, sec. 677).

(79) Section 3684 of the Revised Statutes (U. S. C., title 31, sec. 681).

(80) Section 6 of the Act of May 30, 1908 (U. S. C., title 31, sec. 683).

(81) So much of the paragraph under the heading "Pay of Assistant Custodians and Janitors" on pages 1153 and 1154 of volume 31 of the Statutes at Large, in the Act of March 3, 1901 (U. S. C., title 31, sec. 684), as reads: "and hereafter no other fund appropriated shall be used for this service".

(82) The second paragraph under the heading "United States Commerce Court" of the Act of March 4, 1911 (36 Stat. 1234; U. S. C., title 31, sec. 687).

(83) Section 26 of the Act of June 30, 1913 (38 Stat. 103; U. S. C., title 31, sec. 688).

(84) Section 400 of the Second Deficiency Appropriation Act, 1947 (U. S. C., title 31, sec. 694).

(85) Section 607 of the Act of June 30, 1945, as amended (59 Stat. 304; U. S. C., title 5, sec. 947).

(86) Section 3 of the Act of March 3, 1875, as amended (18 Stat. 370; U. S. C., title 31, sec. 624).

(87) So much of the Act of March 26, 1934, as amended (48 Stat. 466; U. S. C., title 5, sec. 118c), as reads: "with the Budget estimates".

(88) So much of the paragraph under the heading "Department of State" in the Act of August 5, 1909 (36 Stat. 119; U. S. C., title 5, sec. 157), as reads: "and estimates for further appropriations hereunder shall include in detail salaries for all persons to be employed and paid in the Department of State at Washington, District of Columbia".

(89) The last proviso under the head "Working Capital Fund" in the Act of July 12, 1943 (57 Stat. 393; U. S. C., title 5, sec. 558a).

(90) So much of section 17 of the Act of May 22, 1920, as amended (41 Stat. 620; U. S. C., title 5, sec. 730), as reads: "annually to the Bureau of the Budget".

(91) Section 31 of the Act of September 7, 1916, as amended (39 Stat. 749; U. S. C., title 5, sec. 782).

(92) The last sentence of section 35 of the Act of September 7, 1916, as amended (39 Stat. 749; U. S. C., title 5, sec. 785).

(93) So much of section 1 of the Act of October 1, 1890 (26 Stat. 653; U. S. C., title 10, sec. 214), as reads: "and the Signal Corps of the Army shall remain a part of the Military Establishment under the direction of the Secretary of War, and all estimates for its support shall be included with other estimates for the support of the Military Establishment".

(94) The last proviso of section 4 of the Act of March 12, 1926 (44 Stat. 206; U. S. C., title 10, sec. 1597).

(95) So much of section 1 of the Act of June 12, 1917, as amended (40 Stat. 153; U. S. C., title 16, sec. 452), as reads: "and the Secretary of the Interior is directed to submit, for the fiscal year nineteen hundred and nineteen and annually thereafter, estimates of the amounts required for the care, maintenance, and development of the said parks."

(96) So much of section 1 of the Act of July 24, 1876, as amended (19 Stat. 99; U. S. C., title 24, sec. 278), as requires estimates for the care and maintenance of the national military cemeteries to be submitted annually by the Director of the National Park Service.

(97) So much of section 1 of the Act of January 24, 1923 (42 Stat. 1208; U. S. C., title 31, sec. 12), as reads: "The aggregate of all estimates of appropriations from the 'reclamation fund' contained in the Budget for any fiscal year shall be included in the totals of the Budget for that year."

(98) The second paragraph under the heading "Pay, Miscellaneous" of the Act of March 3, 1909 (35 Stat. 754; U. S. C., title 31, sec. 609a).

(99) The third paragraph under the heading "Office of the Fourth Assistant Postmaster General" of the Act of June 9, 1896 (29 Stat. 316; U. S. C., title 31, sec. 610a).

(100) The last proviso under the heading "National Home for Disabled Volunteer Soldiers" of the Act of October 2, 1888, as amended (25 Stat. 543; U. S. C., title 31, sec. 719).

(101) Section 119 of the Act of June 3, 1916 (39 Stat. 213; U. S. C., title 32, sec. 25).

(102) So much of the fourth full paragraph on page 558 of volume 39 of the Statutes at Large in the Act of August 29, 1916 (U. S. C., title 34, sec. 504), as reads: "and the Secretary of the Navy shall each year, in the annual estimates, report to Congress the number of persons so employed, their duties, and the amount paid to each".

(103) The last proviso in the third paragraph on page 377 of volume 37 of the Statutes at Large in the Act of August 23, 1912 (U. S. C., title 39, sec. 769).

(104) Section 27 of the Act of January 12, 1895, as amended (28 Stat. 604; U. S. C., title 44, sec. 37).

(105) The eighth full paragraph on page 382 of volume 35 of the Statutes at Large in the Act of May 27, 1908 (U. S. C., title 44, sec. 37).

(106) The last paragraph under the heading "Government in the Territories" in the Act of June 20, 1874 (18 Stat. 99; U. S. C., title 48, sec. 1456).

SAVING PROVISIONS

SEC. 302. (a) The omission of any provision of law from the provisions of law repealed under section 301 shall not be construed as limiting the application of section 201 or 216 of the Budget and Accounting Act, 1921, as amended, or the powers of the President thereunder, or as evidencing an intent that such provision was not to be superseded by such sections.

(b) Whenever any law authorizes expenditures for a particular object or purpose to be made from an appropriation item referred to in such law by the specific title theretofore used for that appropriation item in the appropriation Act concerned, and thereafter such title is changed or is eliminated from such appropriation Act, expenditures for such object or purpose thereafter may be made from any corresponding appropriation item.

(c) Except where authority for performance of a function is specifically repealed in section 301, none of the provisions of such section shall be construed as affecting the jurisdiction or responsibility of any agency or officer of the Government over any function or organizational unit referred to in such section.

(d) Existing laws, policies, procedures, and directives pertaining to functions covered by this Act, and not inconsistent herewith or repealed hereby, shall remain in full force and effect unless and until superseded, or except as they may be amended, under the authority of this Act or under other appropriate authority.

Approved September 12, 1950.

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THE BUDGET AND ACCOUNTING ACT OF 1921
as amended and supplemented by
The Budget and Accounting Procedures Act of 1950
(including the Accounting and Auditing Act of 1950)
Public Law 784 - 81st Congress
Approved September 12, 1950

Changes in Titles I and II are indicated as follows:

Deletions are shown in brackets.
New material is underscored.

Title I -- DEFINITIONS

SECTION 1. This Act may be cited as the "Budget and Accounting Act, 1921."

SEC. 2. When used in this Act ---

The terms "department and establishment" and "department or establishment" mean any executive department, independent commission, board, bureau, office, agency, or other establishment of the Government, including any independent regulatory commission or board and the municipal government of the District of Columbia, but do not include the legislative branch of the Government or the Supreme Court of the United States;

The term "the Budget" means the Budget required by section 201 to be transmitted to Congress;

The term "Bureau" means the Bureau of the Budget;

The term "Director" means the Director of the Bureau of the Budget;

The term "Assistant Director" means the Assistant Director of the Bureau of the Budget; and

The term "appropriations" includes, in appropriate context, funds and authorizations to create obligations by contract in advance of appropriations, or any other authority making funds available for obligation or expenditure.

Title II -- THE BUDGET

SEC. 201. The President shall transmit to Congress on the first day during the first fifteen days of each regular session, the Budget, which shall set forth in summary and in detail: his Budget message, summary data and text, and supporting detail.

The Budget shall set forth in such form and detail as the President may determine --

(a) Estimates of the expenditures and appropriations necessary in his judgment for the support of the Government for the ensuing fiscal year; except that the estimates for such year for the Legislative Branch of the Government and the Supreme Court of the United States shall be transmitted

to the President on or before October 15 of each year, and shall be included by him in the Budget without revision;⁷

(a) functions and activities of the Government;

[(b) His estimates of the receipts of the Government during the ensuing fiscal year, under (1) laws existing at the time the Budget is transmitted and also (2) under the revenue proposals, if any, contained in the Budget;⁷

(b) any other desirable classifications of data;

[(c) The expenditures and receipts of the Government during the last completed fiscal year;⁷

(c) a reconciliation of the summary data on expenditures with proposed appropriations;

[(d) Estimates of the expenditures and receipts of the Government during the fiscal year in progress;⁷

(d) estimated expenditures and proposed appropriations necessary in his judgment for the support of the Government for the ensuing fiscal year, except that estimated expenditures and proposed appropriations for such year for the legislative branch of the Government and the Supreme Court of the United States shall be transmitted to the President on or before October 15 of each year, and shall be included by him in the Budget without revision;

[(e) The amount of annual, permanent, or other appropriations, including balances of appropriations for prior fiscal years, available for expenditure during the fiscal year in progress, as of November 1 of such year;⁷

(e) estimated receipts of the Government during the ensuing fiscal year, under (1) laws existing at the time the Budget is transmitted and also (2) under the revenue proposals, if any, contained in the Budget;

[(f) Balanced statements of (1) the condition of the Treasury at the end of the last completed fiscal year, (2) the estimated condition of the Treasury at the end of the fiscal year in progress, and (3) the estimated condition of the Treasury at the end of the ensuing fiscal year if the financial proposals contained in the Budget are adopted;⁷

(f) actual appropriations, expenditures, and receipts of the Government during the last completed fiscal year;

[(g) All essential facts regarding the bonded and other indebtedness of the Government; and⁷

(g) estimated expenditures and receipts, and actual or proposed appropriations of the Government during the fiscal year in progress;

[(h) Such other financial statements and data as in his opinion are necessary or desirable in order to make known in all practicable detail the financial condition of the Government.⁷

(h) balanced statements of (1) the condition of the Treasury at the end of the last completed fiscal year, (2) the estimated condition of the Treasury at the end of the fiscal year in progress, and (3) the estimated condition of the Treasury at the end of the ensuing fiscal year if the financial proposals contained in the Budget are adopted;

(i) all essential facts regarding the bonded and other indebtedness of the Government; and

(j) such other financial statements and data as in his opinion are necessary or desirable in order to make known in all practicable detail the financial condition of the Government.

SEC. 202. (a) If the estimated receipts for the ensuing fiscal year contained in the Budget, on the basis of laws existing at the time the Budget is transmitted, plus the estimated amounts in the Treasury at the close of the fiscal year in progress, available for expenditure in the ensuing fiscal year, are less than the estimated expenditures for the ensuing fiscal year contained in the Budget, the President in the Budget shall make recommendations to Congress for new taxes, loans, or other appropriate action to meet the estimated deficiency.

(b) If the aggregate of such estimated receipts and such estimated amounts in the Treasury is greater than such estimated expenditures for the ensuing fiscal year, he shall make such recommendations as in his opinion the public interest require.

SEC. 203. (a) The President from time to time may transmit to Congress supplemental or deficiency estimates of such appropriations or expenditures such proposed supplemental or deficiency appropriations as in his judgment (1) are necessary on account of laws enacted after the transmission of the Budget, or (2) are otherwise in the public interest. He shall accompany such estimates proposals with a statement of the reasons therefor, including the reasons for their omission from the Budget.

(b) Whenever such proposed supplemental or deficiency estimates appropriations reach an aggregate which, if they had been contained in the Budget, would have required the President to make a recommendation under subdivision (a) of section 202, he shall thereupon make such recommendation.

SEC. 204. (a) Except as otherwise provided in this Act, the contents, order, and arrangement of the estimates of appropriations proposed appropriations and the statements of expenditures and estimated expenditures contained in the Budget or transmitted under section 203, and the

notes and other data submitted therewith, shall conform to the requirements of existing law requirements prescribed by the President.

[(b) Estimates for lump-sum appropriations contained in the Budget or transmitted under section 203 shall be accompanied by statements showing, in such detail and form as may be necessary to inform Congress, the manner of expenditure of such appropriations and of the corresponding appropriations for the fiscal year in progress and the last completed fiscal year. Such statements shall be in lieu of statements of like character now required by law.]

(b) The Budget, and statements furnished with any proposed supplemental or deficiency appropriations, shall be accompanied by information as to personal services and other objects of expenditure in the same manner and form as in the Budget for the fiscal year 1950: Provided, That this requirement may be waived or modified, either generally or in specific cases, by joint action of the committees of Congress having jurisdiction over appropriation: And provided further, That nothing in this Act shall be construed to limit the authority of committees of Congress to request and receive such information in such form as they may desire in consideration of and action upon budget estimates.

SEC. 205. Whenever any basic change is made in the form of the Budget, the President, in addition to the Budget, shall transmit to Congress [on the first Monday in December, 1921, for the service of the fiscal year ending June 30, 1923, only, an alternative budget, which shall be prepared in such form and amounts and according to such system of classification and itemization as is, in his opinion, most appropriate, with] such explanatory notes and tables as may be necessary to show where the various items embraced in the Budget [are contained in such alternative budget.] of the prior year are contained in the new Budget.

SEC. 206. No estimate or request for an appropriation and no request for an increase in an item of any such estimate or request, and no recommendation as to how the revenue needs of the Government should be met, shall be submitted to Congress or any committee thereof by any officer or employee of any department or establishment, unless at the request of either House of Congress.

SEC. 207. There is created in the Executive Office of the President a bureau to be known as the Bureau of the Budget. There shall be in the bureau a Director and an Assistant Director, who shall be appointed by the President and receive basic compensation at the rate of \$17,500 and \$16,000 per annum, respectively. The assistant director shall perform such duties as the director may designate, and during the absence or incapacity of the director or during a vacancy in the office of director he shall act as director. The bureau, under such rules and regulations as the President may prescribe, shall prepare for him the Budget, and any proposed supplemental or deficiency estimates appropriations, and to this end shall have authority to assemble, correlate, revise, reduce, or increase the estimates requests for appropriations of the several departments or establishments.

SEC. 208. (This section pertains to internal operations of the Bureau of the Budget and does not affect the relationship between the Bureau of the Budget and the other agencies of the Government. It is unaffected by the provisions of P. L. 784.)

SEC. 209. The bureau, when directed by the President, shall make a detailed study of the departments and establishments for the purpose of enabling the President to determine what changes (with a view of securing greater economy and efficiency in the conduct of the public service) should be made in (1) the existing organization, activities, and methods of business of such departments or establishments, (2) the appropriations therefor, (3) the assignment of particular activities to particular services, or (4) the regrouping of services. The results of such study shall be embodied in a report or reports to the President, who may transmit to Congress such report or reports or any part thereof with his recommendations on the matters covered thereby.

SEC. 210. (This section imposes certain duties on the Bureau of the Budget and the President for execution only during 1921. It is unaffected by the provisions of P. L. 784.)

SEC. 211. The powers and duties relating to the compiling of estimates conferred and imposed upon the Division of Bookkeeping and Warrants of the Office of the Secretary of the Treasury on June 10, 1921, are transferred to the bureau.

SEC. 212. The bureau shall, at the request of any committee of either House of Congress having jurisdiction over revenue or appropriations, furnish the committee such aid and information as it may request.

SEC. 213. Under such regulations as the President may prescribe (1) every department and establishment shall furnish to the bureau such information as the bureau may from time to time require, and (2) the director and the assistant director, or any employee of the bureau when duly authorized, shall, for the purpose of securing such information, have access to, and the right to examine, any books, documents, papers, or records of any such department or establishment.

SEC. 214. [(a) The head of each department and establishment shall designate an official thereof as Budget officer therefor, who, in each year under his direction and on or before a date fixed by him, shall prepare the departmental estimates.]

[(b) Such Budget officer shall also prepare, under the direction of the head of the department or establishment, such supplemental and deficiency estimates as may be required for its work.]

The head of each department and establishment shall prepare or cause to be prepared in each year his requests for regular, supplemental, or deficiency appropriations.

SEC. 215. The head of each department and establishment shall [revise the departmental estimates and submit them/ submit his requests for appropriations to the bureau on or before September 15 of each year./ a date which the President shall determine. In case of his failure [so to do/

to do so, the President shall cause to be prepared such estimates and data/ such requests to be prepared as are necessary to enable him to include in the Budget estimates and statements/ such requests with the Budget in respect to the work of such department or establishment.

SEC. 216. The departmental estimates and any supplemental or deficiency estimates/ Requests for regular, supplemental, or deficiency appropriations which are submitted to the bureau by the head of any department or establishment shall be prepared and submitted in such form, manner, and detail/ as the President may prescribe./ determine in accordance with the provisions of section 201.

SEC. 217. (This section authorizes an appropriation for the establishment and maintenance of the Bureau of the Budget during F.Y. 1922. It is unaffected by the provisions of P.L. 734.)

TITLE III.--GENERAL ACCOUNTING OFFICE

SEC. 301. There is created an establishment of the Government to be known as the General Accounting Office, which shall be independent of the executive departments and under the control and direction of the Comptroller General of the United States. The offices of Comptroller of the Treasury and Assistant Comptroller of the Treasury are abolished, to take effect July 1, 1921. All other officers and employees of the office of the Comptroller of the Treasury shall become officers and employees in the General Accounting Office at their grades and salaries on July 1, 1921, and all books, records, documents, papers, furniture, office equipment and other property of the office of the Comptroller of the Treasury shall become the property of the General Accounting Office. The Comptroller General is authorized to adopt a seal for the General Accounting Office.

SEC. 302. There shall be in the General Accounting Office a Comptroller General of the United States and an Assistant Comptroller General of the United States, who shall be appointed by the President with the advice and consent of the Senate, and shall receive basic compensation at the rate of \$17,500 and \$16,000 per annum, respectively. The Assistant Comptroller General shall perform such duties as may be assigned to him by the Comptroller General, and during the absence or incapacity of the Comptroller General, or during a vacancy in that office, shall act as Comptroller General.

SEC. 303. Except as hereinafter provided in this section, the Comptroller General and the Assistant Comptroller General shall hold office for fifteen years. The Comptroller General shall not be eligible for reappointment. The Comptroller General or the Assistant Comptroller General may be removed at any time by joint resolution of Congress after notice and hearing, when, in the judgment of Congress, the Comptroller General or Assistant Comptroller General has become permanently incapacitated or has been inefficient, or guilty of neglect of duty, or of malfeasance in office, or of any felony or conduct involving moral turpitude, and for no other cause and in no other manner except by impeachment. Any Comptroller General or Assistant Comptroller General removed in the manner herein provided shall be ineligible for reappointment to that office. When a Comptroller General or Assistant Comptroller General attains the age of seventy years, he shall be retired from his office.

SEC. 304. All powers and duties which on June 30, 1921, were conferred or imposed by law upon the Comptroller of the Treasury or the six auditors of the Treasury Department, and the duties of the Division of Book-keeping and Warrants of the Office of the Secretary of the Treasury relating to keeping the personal ledger accounts of disbursing and collecting officers, shall, so far as not inconsistent with this Act, be vested in and imposed upon the General Accounting Office and be exercised without direction from any other officer. The balances certified by the Comptroller General shall be final and conclusive upon the executive branch of the Government. The revision by the Comptroller General of settlements made by the six auditors shall be discontinued, except as to settlements made before July 1, 1921. (See P.L. 784, Sec. 115, 116, 117, 119.)

(The second paragraph of this section relates to the administrative examination of the accounts and vouchers of the Post Office Department and does not affect the relationship between the General Accounting Office and any other agency of the Government.)

SEC. 305. Section 236 of the Revised Statutes is amended to read as follows:

"Sec. 236. All claims and demands whatever by the Government of the United States or against it, and all accounts whatever in which the Government of the United States is concerned, either as debtor or creditor, shall be settled and adjusted in the General Accounting Office."

SEC. 306. All laws relating generally to the administration of the departments and establishments shall, so far as applicable, govern the General Accounting Office. Copies of any books, records, papers, or documents, and transcripts from the books and proceedings of the General Accounting Office, when certified by the Comptroller General or the Assistant Comptroller General under its seal, shall be admitted as evidence with the same effect as the copies and transcripts referred to in sections 882 and 886 of the Revised Statutes.

SEC. 307. The Comptroller General may provide for the payment of accounts or claims adjusted and settled in the General Accounting Office, through disbursing officers of the several departments and establishments, instead of by warrant.

SEC. 308. The duties now appertaining to the Division of Public Moneys of the Office of the Secretary of the Treasury, so far as they relate to the covering of revenues and repayments into the Treasury, the issue of duplicate checks and warrants, and the certification of outstanding liabilities for payment, shall be performed by the Division of Bookkeeping and Warrants of the Office of the Secretary of the Treasury.

SEC. 309. The Comptroller General shall prescribe the forms, systems, and procedure for administrative appropriation and fund accounting in the several departments and establishments, and for the administrative examination of fiscal officers' accounts and claims against the United States. (See P.L. 784, Sec. 112.)

SEC. 310. (This section is no longer operative. It provides for the abolishment of the offices of the six auditors of the Treasury and for the transfer of certain personnel, property, and office space to the General Accounting Office, effective July 1, 1921.)

SEC. 311. (Subsections (a), (b), (c), and (d) govern the appointment and compensation of attorneys and other employees of the General Accounting Office and do not affect the operations of other agencies of the Government.)

(e) All official acts performed by such officers or employees especially designated therefor by the Comptroller General shall have the same force and effect as though performed by the Comptroller General in person.

(f) The Comptroller General shall make such rules and regulations as may be necessary for carrying on the work of the General Accounting Office, including rules and regulations concerning the admission of attorneys to practice before such office.

SEC. 312. (a) The Comptroller General shall investigate, at the seat of government or elsewhere, all matters relating to the receipt, disbursement, and application of public funds, and shall make to the President when requested by him, and to Congress at the beginning of each regular session, a report in writing of the work of the General Accounting Office, containing recommendations concerning the legislation he may deem necessary to facilitate the prompt and accurate rendition and settlement of accounts and concerning such other matters relating to the receipt, disbursement, and application of public funds as he may think advisable. In such regular report, or in special reports at any time when Congress is in session, he shall make recommendations looking to greater economy or efficiency in public expenditures.

(b) He shall make such investigations and reports as shall be ordered by either House of Congress or by any committee or either House having jurisdiction over revenue, appropriations, or expenditures. The Comptroller General shall also, at the request of any such committee, direct assistants from his office to furnish the committee such aid and information as it may request.

(c) The Comptroller General shall specifically report to Congress every expenditure or contract made by any department or establishment in any year in violation of law.

(d) He shall submit to Congress reports upon the adequacy and effectiveness of the administrative examination of accounts and claims in the respective departments and establishments and upon the adequacy and effectiveness of departmental inspection of the offices and accounts of fiscal officers.

(e) He shall furnish such information relating to expenditures and accounting to the Bureau of the Budget as it may request from time to time.

SEC. 313. All departments and establishments shall furnish to the Comptroller General such information regarding the powers, duties, activities, organization, financial transactions, and methods of business of their respective offices as he may from time to time require of them; and the Comptroller General, or any of his assistants or employees, when

duly authorized by him, shall, for the purpose of securing such information, have access to and the right to examine any books, documents, papers, or records of any such department or establishment. The authority contained in this section shall not be applicable to expenditures made under the provisions of section 291 of the Revised Statutes.

SEC. 314. The Civil Service Commission shall establish an eligible register for accountants for the General Accounting Office, and the examinations of applicants for entrance upon such register shall be based upon questions approved by the Comptroller General.

SEC. 315, 316, 317. (These sections govern the transfer and use of Treasury Department appropriations for the payment of salaries and other necessary expenses of the General Accounting Office in carrying out the purposes of Title III of this Act during the fiscal year 1922.)

SEC. 318. (This section provides that, except for sections 301 to 317, inclusive, which are effective July 1, 1921, this Act shall take effect on June 10, 1921.)

Public Law 784 - 81st Congress, in addition to making specific changes in the Budget and Accounting Act of 1921, as shown above, contains related and supplemental provisions affecting accounting and auditing methods and procedures, etc., as follows:

TITLE I -- BUDGETING AND ACCOUNTING

Part I -- Budgeting

Government Statistical Activities

Sec. 103. The President, through the Director of the Bureau of the Budget, is authorized and directed to develop programs and to issue regulations and orders for the improved gathering, compiling, analyzing, publishing, and disseminating of statistical information for any purpose by the various agencies in the executive branch of the Government. Such regulations and orders shall be adhered to by such agencies.

Improved Administration of Executive Agencies

Sec. 104. The President, through the Director of the Bureau of the Budget, is authorized and directed to evaluate and develop improved plans for the organization, coordination, and management of the executive branch of the Government with a view to efficient and economical service.

Business-Type Budgets

Sec. 105. The first two sentences of section 102 of the Government Corporation Control Act of 1945 (59 Stat. 597), are amended to read as follows: "Each wholly owned Government corporation shall cause to be prepared annually a business-type budget which shall be submitted to the Bureau of the Budget, under such rules and regulations as the President may establish as to the date of submission, the form and content, the classifications of data, and the manner in which such budget program shall be prepared and presented."

Part II -- Accounting and Auditing

Short Title

Sec. 110. This part may be cited as the "Accounting and Auditing Act of 1950".

Declaration of Policy

Sec. 111. It is the policy of the Congress in enacting this part that---

(a) The accounting of the Government provide full disclosure of the results of financial operations, adequate financial information needed in the management of operations and the formulation and execution of the Budget, and effective control over income, expenditures, funds, property, and other assets.

(b) Full consideration be given to the needs and responsibilities of both the legislative and executive branches in the establishment of accounting and reporting systems and requirements.

(c) The maintenance of accounting systems and the producing of financial reports with respect to the operations of executive agencies, including central facilities for bringing together and disclosing information on the results of the financial operations of the Government as a whole, be the responsibility of the executive branch.

(d) The auditing for the Government, conducted by the Comptroller General of the United States as an agent of the Congress be directed at determining the extent to which accounting and related financial reporting fulfill the purposes specified, financial transactions have been consummated in accordance with laws, regulations or other legal requirements, and adequate internal financial control over operations is exercised, and afford an effective basis for the settlement of accounts of accountable officers.

(e) Emphasis be placed on effecting orderly improvements resulting in simplified and more effective accounting, financial reporting, budgeting, and auditing requirements and procedures and on the elimination of those which involve duplication or which do not serve a purpose commensurate with the costs involved.

(f) The Comptroller General of the United States, the Secretary of the Treasury, and the Director of the Bureau of the Budget conduct a continuous program for the improvement of accounting and financial reporting in the Government.

Accounting and Reporting Provisions

Sec. 112. (a) The Comptroller General of the United States, after consulting the Secretary of the Treasury and the Director of the Bureau of the Budget concerning their accounting, financial reporting, and budgetary needs, and considering the needs of the other executive agencies, shall prescribe the principles, standards, and related requirements for accounting to be observed by each executive agency, including requirements for suitable integration between the accounting processes of each executive agency and the accounting of the Treasury Department. Requirements prescribed by the Comptroller General shall be designed to permit the executive agencies to carry out their responsibilities under section 113 of this part; while providing a basis for integrated accounting for the Government, full disclosure of the results of the financial operations of each executive agency and the Government as a whole, and financial information and control necessary to enable the Congress and the President to discharge their respective responsibilities. The Comptroller General shall continue to exercise the authority vested in him by section 205(b) of the Federal Property and Administrative Services Act of 1949 (63 Stat. 389) and, to the extent he deems necessary, the authority vested in him by section 309 of the Budget and Accounting Act, 1921 (42 Stat. 25). Any such exercise of authority shall be consistent with the provisions of this section.

(b) The General Accounting Office shall cooperate with the executive agencies in the development of their accounting systems, including the Treasury Department, in the development and establishment of the system of central accounting and reporting required by section 114 of this part. Such accounting systems shall be approved by the Comptroller General when deemed by him to be adequate and in conformity with the principles, standards, and related requirements prescribed by him.

(c) The General Accounting Office shall from time to time review the accounting systems of the executive agencies. The results of such reviews shall be available to the heads of the executive agencies concerned, to the Secretary of the Treasury, and to the Director of the Bureau of the Budget, and the Comptroller General shall make such reports thereon to the Congress as he deems proper.

Sec. 113. (a) The head of each executive agency shall establish and maintain systems of accounting and internal control designed to provide---

(1) full disclosure of the financial results of the agency's activities;

(2) adequate financial information needed for the agency's management purposes;

(3) effective control over and accountability for all funds, property, and other assets for which the agency is responsible, including appropriate internal audit;

(4) reliable accounting results to serve as the basis for preparation and support of the agency's budget requests, for controlling the execution of its budget, and for providing financial information required by the Bureau of the Budget under section 213 of the Budget and Accounting Act, 1921 (42 Stat. 23);

(5) suitable integration of the accounting of the agency with the accounting of the Treasury Department in connection with the central accounting and reporting responsibilities imposed on the Secretary of the Treasury by section 114 of this part.

(b) The accounting systems of executive agencies shall conform to the principles, standards, and related requirements prescribed by the Comptroller General pursuant to section 112(a) of this part.

Sec. 114. (a) The Secretary of the Treasury shall prepare such reports for the information of the President, the Congress, and the public as will present the results of the financial operations of the Government: Provided, That there shall be included such financial data as the Director of the Bureau of the Budget may require in connection with the preparation of the Budget or for other purposes of the Bureau. Each executive agency shall furnish the Secretary of the Treasury such reports and information relating to its financial condition and operations as the Secretary, by rules and regulations, may require for the effective performance of his responsibilities under this section.

(b) The Secretary of the Treasury is authorized to establish the facilities necessary to produce the financial reports required by subsection (a) of this section. The Secretary is further authorized to reorganize the accounting functions and install, revise, or eliminate accounting procedures and financial reports of the Treasury Department in order to develop effective and coordinated systems of accounting and financial reporting in the several bureaus and offices of the Department with such concentration of accounting and reporting as is necessary to accomplish integration of accounting results for the activities of the Department and provide the operating center for the consolidation of accounting results of other executive agencies with those of the Department. The authority vested in and the duties imposed upon the Department by sections 10, 15, and 22 of the Act entitled "An Act making appropriations for the legislative, executive, and judicial branches of the Government for the fiscal year ending June thirtieth, eighteen hundred ninety-five, and for other purposes", approved July 31, 1894 (28 Stat. 162, 208-210), may be exercised and performed by the Secretary of the Treasury as a part of his broader authority and duties under this section and in such a manner as to provide a unified system of central accounting and reporting on the most efficient and useful basis.

(c) The system of central accounting and reporting provided for herein shall be consistent with the principles, standards, and related requirements prescribed by the Comptroller General pursuant to section 112 of this part.

Sec. 115. (a) When the Secretary of the Treasury and the Comptroller General determine that existing procedures can be modified in the interest of simplification, improvement, or economy, with sufficient safeguards over the control and accounting for the public funds, they may issue joint regulations providing for the waiving, in whole or in part, of the requirements of existing law that---

(1) warrants be issued and countersigned in connection with the receipt, retention, and disbursement of public moneys and trust funds; and

(2) funds be requisitioned, and advanced to accountable officers under each separate appropriation head or otherwise.

(b) Such regulations may further provide for the payment of vouchers by authorized disbursing officers by means of checks issued against the general account of the Treasurer of the United States: Provided, That in such case the regulations shall provide for appropriate action in the event of delinquency by disbursing officers in the rendition of their accounts or for other reasons arising out of the condition of the officers' accounts, including under necessary circumstances, the suspension or withdrawal of authority to disburse.

Sec. 116. The Comptroller General is authorized to discontinue the maintenance in the General Accounting Office of appropriation, expenditure, limitation, receipt, and personal ledger accounts when in his

opinion the accounting systems and internal control of the executive, legislative, and judicial agencies are sufficient to enable him to perform properly the functions to which such accounts relate.

Auditing Provisions

Sec. 117. (a) Except as otherwise specifically provided by law, the financial transactions of each executive, legislative, and judicial agency, including but not limited to the accounts of accountable officers, shall be audited by the General Accounting Office in accordance with such principles and procedures and under such rules and regulations as may be prescribed by the Comptroller General of the United States. In the determination of auditing procedures to be followed and the extent of examination of vouchers and other documents, the Comptroller General shall give due regard to generally accepted principles of auditing, including consideration of the effectiveness of accounting organizations and systems, internal audit and control, and related administrative practices of the respective agencies.

(b) Whenever the Comptroller General determines that the audit shall be conducted at the place or places where the accounts and other records of an executive agency are normally kept, he may require any executive agency to retain in whole or in part accounts of accountable officers, contracts, vouchers, and other documents, which are required under existing law to be submitted to the General Accounting Office, under such conditions and for such period not exceeding ten years as he may specify, unless a longer period is agreed upon with the executive agency: Provided, That under agreements between the Comptroller General legislative and judicial agencies the provisions of this sentence may be extended to the accounts and records of such agencies.

General Provisions

Sec. 118. As used in this part, the term "executive agency" means any executive department or independent establishment in the executive branch of the Government but (a) except for the purposes of sections 114, 116, and 119 shall not include any Government corporation or agency subject to the Government Corporation Control Act (59 Stat. 597), and (b) except for the purposes of sections 111, 114, and 116 shall not include the Post Office Department.

Sec. 119. The head of each executive agency is authorized to designate the place or places, at the seat of government or elsewhere, at which the administrative examination of fiscal officers' accounts will be performed, and with the concurrence of the Comptroller General to waive the administrative examination in whole or in part: Provided, That the same authority is hereby conferred upon the officers responsible for the administrative examination of accounts for legislative and judicial agencies.

TITLE II -- APPROPRIATIONS

Authorizations for Appropriations

Sec. 201. No requests for legislation, which, if enacted, would authorize subsequent appropriations for a department or establishment in the executive branch of the Government, shall be transmitted to the Bureau of the Budget, to the President, or to the Congress by such department or establishment, or by any organization unit thereof, without the prior approval of the head of such department or establishment.

Adjustment of Appropriations for Reorganization

Sec. 202. (a) When under authority of law a function or an activity is transferred or assigned from one agency within any department or establishment to another agency in the same department or establishment, the balance of appropriations which are determined by the head of such department or establishment to be available and necessary to finance or discharge the function or activity so transferred or assigned may, with the approval of the President, be transferred to, and be available for use by, the agency to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby authorized to be established, and shall be merged with funds in the applicable existing or newly established appropriation account or accounts and thereafter accounted for as one fund.

(b) When under authority of law a function or activity is transferred or assigned from one department or establishment to another department or establishment, the balance of appropriations which are determined by the President to be available and necessary to finance or discharge the function or activity so transferred or assigned, shall be transferred to and be available for use by the department or establishment to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby authorized to be established, and shall be merged with funds in the applicable existing or newly established appropriation account or accounts and thereafter accounted for as one fund.

TITLE III -- REPEALS AND SAVING PROVISIONS

Repeals

Sec. 301. (This section repeals over a hundred acts or parts of acts relating mainly to the compilation of departmental estimates and the furnishing of certain financial data, most of which have been superseded or outmoded by other existing provisions of law.)

Saving Provisions

Sec. 302. (a) The omission of any provision of law from the provisions of law repealed under section 301 shall not be construed as limiting the application of section 201 or 216 of the Budget and Accounting Act, 1921, as amended, or the powers of the President thereunder, or as evidencing an intent that such provision was not to be superseded by such sections.

(b) Whenever any law authorizes expenditures for a particular object or purpose to be made from an appropriation item referred to in such law by the specific title theretofore used for that appropriation item in the appropriation Act concerned, and thereafter such title is changed or is eliminated from such appropriation Act, expenditures for such object or purpose thereafter may be made from any corresponding appropriation item.

(c) Except where authority for performance of a function is specifically repealed in section 301, none of the provisions of such section shall be construed as affecting the jurisdiction or responsibility of any agency or officer of the Government over any function or organizational unit referred to in such section.

(d) Existing laws, policies, procedures, and directives pertaining to functions covered by this Act, and not inconsistent herewith or repealed hereby, shall remain in full force and effect unless and until superseded, or except as they may be amended, under the authority of this Act or under other appropriate authority.

